AGRICULTURE

Annual Report

1987 · 1988

Alberta
AGRICULTURE

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Annual Report

1987·1988

ALBERTA AGRICULTURE'S
ANNUAL REPORT
1987-88

TO HER HONOUR THE
HONOURABLE HELEN HUNLEY
Lieutenant-Governor of the Province
of Alberta

Madam:

We have the honor to submit the annual report of Alberta Agriculture for the fiscal year ended March 31, 1988.

Respectfully,

PETER ELZINGA
Minister of Agriculture

SHIRLEY CRIPPS
Associate Minister of Agriculture

ALBERTA AGRICULTURE'S ANNUAL REPORT 1987-88

HONOURABLE PETER ELZINGA
Minister of Agriculture

HONOURABLE SHIRLEY CRIPPS
Associate Minister of Agriculture

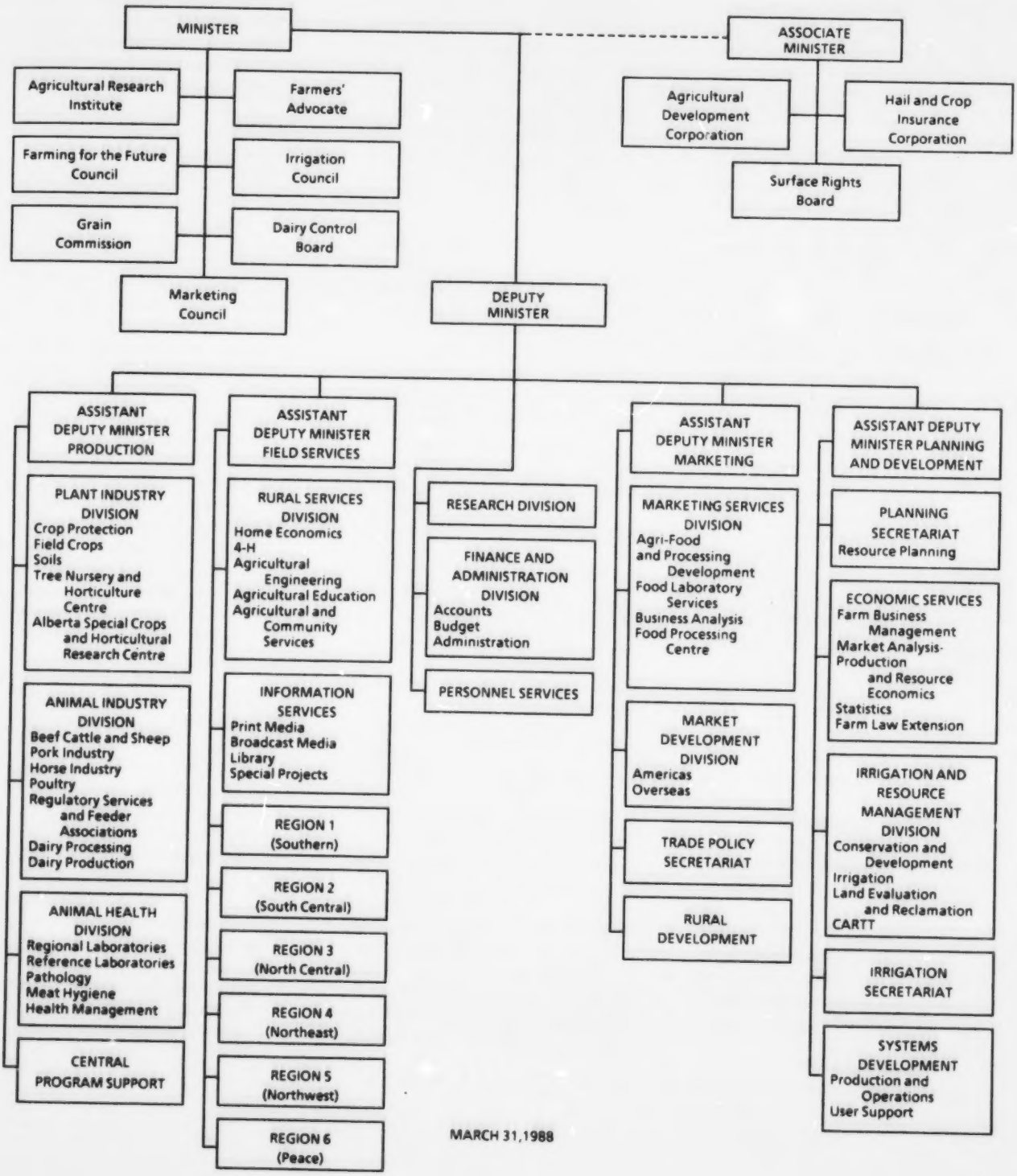
Sir and Madam:

I have the honor to submit the annual report of Alberta Agriculture for the fiscal year ended March 31, 1988.

Respectfully,

H.B. McEwen
Deputy Minister

Organizational Chart



HIGHLIGHTS

- A multi-disciplinary approach to crop management called "maximizing economic yield" (MEY) was undertaken jointly by production and field services sectors resulting in applied research and demonstration projects across Alberta.
- Crop diversification initiatives were co-ordinated with all major sectors of the department and a market sensitive approach to alternate crop production was encouraged.
- During the year, over $70 million was paid out under the Alberta Crow benefit offset program. This brings the total paid out under the combined Alberta feed grain market adjustment and Alberta Crow benefit offset programs since 1985 to $175,060,855.
- The potentially disastrous effects of the U.S. border closure to the importation of honey bees resulted in the implementation of the Alberta beekeepers disaster assistance program, generating $1.4 million in initial payments to producers.
- A total of $14 million in matching premiums was provided in support to Alberta red meat producers enrolled in national tripartite stabilization programs.
- Continued enhancement of the department's capabilities for toxicologic analysis in cases of livestock poisoning occurred, with a number of new tests being developed by department staff.
- A major project to determine risk factors associated with respiratory disease in feedlot cattle in Alberta was completed.
- Several varieties of day neutral strawberries were introduced to Alberta producers. These varieties proved to be very successful and resulted in a large commercial planting in the spring of 1988.
- As part of an interdepartmental committee, the Alberta Grain Commission conducted an investigation of the merits and demerits of fuel ethanol produced from grain.
- In conjunction with Alberta Economic Development and Trade and the Government of British Columbia, the planning secretariat worked to formulate a method of paying the Crow benefit directly to Alberta and B.C. farmers.
- The planning secretariat co-ordinated a major study on alternatives to the current canola marketing system, developed an Alberta government submission to the Canadian Wheat Board Quota Review Committee, and prepared a position paper on producer cars for the Canadian Grain Commission.
- The irrigation and resource management division was established to administer programs addressing both irrigation and dryland soil and water management across the province.
- The Canada-Alberta Agreement on Soil, Water and Cropping Research and Technology Transfer (CARTT) was signed August 19, 1987.
- In 1986-87 Co-operation Protocol between Alberta and the Republic of Russia resulted in a major sale of frozen dairy embryos to that Republic.
- Market development division played a lead role in the establishment of a phyto-sanitary protocol between Japan and Canada, which will enable Alberta hay producers to access this important market.
- During a mission to South Korea, a twinning relationship was established between the Suewon Research Station and the University of Alberta, and Yonam Agricultural College and Olds College.
- The People's Republic of China renewed the department's technical exchange program with the Heilongjiang Department of Agriculture.
- Over 200 Alberta companies were assisted by the Food Processing Development Centre.
- The Food Processing Development Centre joined Agriculture Canada and the Lacombe Research Station in an official agreement to co-ordinate the federal-provincial effort in red meat research and development.
- During the Calgary Olympics, food laboratory staff assisted in monitoring the quality and safety of foods served to the athletes, officials and the general public.
- Home study enrolment increased from 3,000 to 5,300, an increase of 76.6 per cent.
- Three hundred and sixty-six 4-H clubs participated in the annual clean-up in which over 3,000 miles of roadside were cleaned.
- Eighteen agricultural societies received capital grants totalling $735,075, while 205 societies received operating grants totalling $1,141,977 and 162 societies received fair grants totalling $222,942.
- There were 17 fatal farm accidents in 1987. This is an increase of four over the previous year, but 35 per cent lower than the 1976-1986 average.
- Two hundred and sixty-one *Call of the Land* programs were produced and aired on 15 A.M. and eight F.M. stations to a daily listening audience of 55,000.
- A video library pilot project was initiated in 10 district offices.
- One hundred and eleven new and revised technical publications for farmers and farm families were issued.
- Thirty-three Gear Up Financially courses were attended by 433 farm families.

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1987 - 1988

ANNUAL REPORT

ALBERTA HAIL AND CROP INSURANCE CORPORATION[1]

Alberta Hail and Crop Insurance Corporation was established by authority of the Hail and Crop Insurance Act (1969) which provided for the merger of the Alberta Hail Insurance Board and the Alberta Crop Insurance Corporation. During the 1987-88 fiscal year it provided protection against crop losses under its hail insurance, "all-risk" crop insurance and livestock feed security programs.

Hail Insurance

In 1987, because of lower prices for grain crops and the generally dry conditions prevailing during May and June, farmers placed less hail insurance on their crops than in the preceding year. While both protection provided and participation in the hail insurance program dropped by nearly 20 per cent, the extent of hail damage was up. The loss-to-premium ratio of 64.7 per cent, though slightly below the long-term average of 71 per cent, was considerably higher than the 1986 ratio of 50.9 per cent. The corporation was again able to pay a premium refund of 25 per cent to policyholders who did not claim for hail loss and a 10 per cent refund to those who received indemnities.

Following is a comparison of business and experience for the last two years:

SUMMARY OF HAIL INSURANCE PROGRAM

	1987	1986
Policies	7,948	9,820
Acres insured	2,912,719	3,634,784
Risk	$194,895,793	$254,208,578
Premium	$13,359,511	$16,974,010
Indemnities	$8,639,603	$8,637,341
Loss-to-premium ratio	67.7%	50.9%

All-Risk Crop Insurance

While the spring was unusually dry, generous summer rains resulted in good to excellent yields being harvested over most of Alberta. The overall grain crop was the second largest on record. With an unusually favorable harvest season the grain was of good quality and taken off in generally excellent conditions. Losses paid under the crop insurance program were well below those of 1986 and far below those of 1984 and 1985.

The main causes of loss were hail and the spring drought. The drought reduced yields particularly in northern and east central districts, but also resulted in poor germination which created problems with second growth which came along following rains later in the season. Areas most severely affected by the second growth were in the southwestern and east central sections of the province.

Overall participation dropped slightly from the previous year and this, along with much lower grain prices, resulted in an overall reduction in coverage of nearly 30 per cent.

Following is a summary of business for 1987, together with a comparison for 1986:

SUMMARY OF ALL-RISK INSURANCE PROGRAM

	1987	1986
Policies	24,984	25,465
Acres insured	10,577,696	11,210,847
Bee hives insured	94,786	110,596
Crop insurance coverage	$599,846,199	$824,273,134
Hail endorsement coverage	$507,086,681	$724,086,681
Premium	$100,751,042	$132,302,920
Indemnities		
Basic policy	$49,760,758*	$81,188,024
Hail endorsement	$24,165,248	$21,867,720

* *Subject to final revision*

[1] *Alberta Hail and Crop Insurance Corporation publishes a statutory annual report which provides more detailed information than given in this section.*

Field peas, fababeans and lentils were added to the list of insurable crops in 1987, bringing the total of more than 30 individual crops. A number of recommendations of the Crop Insurance Review Panel, which made an in-depth study of the crop program, were implemented for 1987. Others had to be left for inclusion in the 1988 program.

The coverage restoration program remained in place for 1987, but on a restricted basis from that of the two preceding years. This was a program of Alberta Agriculture, funded by the province of Alberta which though not a part of the crop insurance program was tied closely to it. Only crop insurance policyholders with claims benefited from it.

Following is a comparative summary of business and experience for 1986 and 1987:

SUMMARY OF HAY AND PASTURE INSURANCE

	1987	1986
Policyholders	3,555	4,842
Acres insured	97,218	133,720
Animal units insured	400,716	552,195
Risk	$53,501,190	$98,955,290
Premium	$8,874,676	$15,782,574
Indemnities	$25,544,983	$21,773,560
Loss-to-premium ratio	287.8%	138.0%

A Cost-Shared Program

The "all-risk" crop insurance and livestock feed security programs were joint programs of the governments of Canada and Alberta. All administrative costs for the programs were paid by the province, while premium costs were divided on a 50-50 basis between farmers and the government of Canada. For the grain crops, the province paid a portion of the farmers' premiums in the higher risk areas.

The hail insurance program does not receive any support from either government.

AGRICULTURAL DEVELOPMENT CORPORATION[1]

The Agricultural Development Corporation (ADC) was established by Agricultural Development Act (1972) to provide financial assistance to farmers and agribusinesses in the province. At March 31, 1988, the corporation's portfolio consisted of 24,876 loans totalling $1,117,569,000 as compared to an outstanding portfolio of $1,194,873,000 at March 31, 1987. This net reduction reflected a response to difficult economic circumstances in the form of farm exits and lower new lending levels.

During 1987-88, ADC provided 510 new direct loans amounting to $47,269,000. As well, the corporation guaranteed 4,667 loans, made through commercial lenders, amounting to $69,356,000. The majority of direct farm loans, $44,908,000 were made under the beginning farmer program, most of which were under the staged option feature. Alberta farm development loan program loans made up the majority of guaranteed lending totalling $65,573,000. Another $3 million, loaned by commercial lenders to 81 producers, was guaranteed under the farm development guarantee program. This program, although scheduled to expire on February 29, 1988, was extended to June 30, 1989, or until the funds are used up, in response to anticipated operating credit needs as a result of declining assets values and limited markets for grain inventory on hand.

The corporation approved $14,107,000 in incentives during the year, primarily to beginning farmers but also to producers in specific sectors of primary agriculture.

During 1987-88, the corporation provided $2.1 million worth of direct and guaranteed assistance to secondary processing and agricultural service businesses through its agribusiness lending program.

A review of the role and mandate of ADC was completed which resulted in new direction for the corporation. This led to the development of new options for farmers in financial difficulty.

[1] *Agricultural Development Corporation publishes a statutory annual report which provides more detailed information than that given in this section.*

ALBERTA GRAIN COMMISSION

During 1987 the Alberta Grain Commission was actively involved in a broad range of activities with the intent to:

- promote less regulation and more logic in the grain and oilseed industry in Alberta;
- increase crop diversification; and
- increase the use of Alberta grain and oilseed products in both domestic and foreign markets.

The commission was committed to the principle that farmers should determine the character of their industry, and that the grain trade and government agencies should support rather than lead in this process. Development of a new producer car policy for canola was a contentious issue in 1987 and the Alberta Grain Commission worked to assist farmers in understanding the issue and in formulating a response which would serve their interests. Similarly, members of the commission contributed to the Canadian Wheat Board quota review process, both through a prepared submission and through public discussion. On these issues, as with others, the Alberta Grain Commission continued to make every attempt to ensure that its position was consistent with the views of innovative commercial farmers.

Grain and oilseed prices continued to be weak in 1987, resulting in considerable distress to Alberta farmers. The commission contributed wherever possible to the development of responsive farm income support and farm income stabilization programs.

The commission continued its role of working towards greater crop diversification on Alberta farms. The Alternative Crops Conference focused attention on the issue, and continued efforts were made to extend that awareness to specific new opportunities for new crops.

A major activity of the commission during 1987 was the examination of the concept of fuel ethanol produced from grain. As part of an interdepartmental committee the Alberta Grain Commission conducted an objective investigation of the merits and demerits of fuel ethanol. Results of the examination were released by the minister as a discussion paper.

The Alberta Grain Commission continued to maintain liaison with individual farmers, farm groups, the grain trade and government agencies. The commission's toll-free grain price information line received 36,000 inquiries throughout the year and its *West Coast Traffic Report* and *Alberta Feed Grain Price Report* continued to be popular weekly publications.

FARMERS' ADVOCATE OF ALBERTA

The Office of the Farmers' Advocate continued to provide assistance to the Alberta agricultural community in 1987-88. The office had three primary functions:

First, to investigate and solve problems and to act as a mediator in disputes which involve individual farmers, farm organizations and other segments of the agricultural industry.

Second, to act in an advisory capacity. Based on past experience and on the similarity among complaints, the office is in a position to advise farmers, or to present to farmers, alternate routes to follow in an attempt to settle their outstanding problems and complaints.

Third, to provide information to individual farmers and farm organizations. Information is rendered through publications produced by the Farmers' Advocate office, through individual consultations, and through convening public meetings and seminars on timely issues. The information function of this office enables farmers to better deal with the problems they may be currently experiencing and provides them with the knowledge to prevent problems from arising in the future.

Complaints or disputes pertaining to a department of the provincial government were often referred directly to the department concerned and individuals were advised of their right of appeal to the provincial Ombudsman.

In complaints or disputes involving local governments (rural municipalities, counties and improvement districts), the matter was advanced to the respective body with a request for information pertaining to the complaint. If it was found that there was substance to a complaint, the respective body was encouraged to review the matter in conjunction with the Farmers' Advocate in an attempt to find a solution to the problem.

The office did not become involved in any matter which was before the courts, and withdrew from a dispute if the services of a solicitor were subsequently obtained by the complainant.

The activities that the Farmers' Advocate engaged in allowed it to keep abreast of current problems being experienced by those in the agricultural community, to assist individual farmers in resolving problems, and to provide feedback to government and its departments to enable reoccurring problems to be addressed on a more comprehensive basis.

SURFACE RIGHTS BOARD[1]

The Surface Rights Board, a quasi-judicial board established under The Surface Rights Act, granted operators the right to enter on and use the surface of land for mineral recovery operations and for the construction and operation of power transmission lines, pipelines and telephone lines, where the operator had been unable to acquire the necessary right by consent of the owner or occupant of that land. It also held hearings, in those cases where a private agreement could not be reached, to determine the compensation payable by the operator and the person entitled to receive the compensation.

The board held hearings with respect to damage disputes and requests for review of annual compensation under board compensation orders and surface leases.

The board issued written decisions to the parties concerned as required by The Administrative Procedures Act in all cases where a hearing was held and a decision required. The board issued orders granting right of entry, terminating right of entry, fixing compensation, amending or varying compensation on reviews, and various incidental orders, and continued to assist in the recovery of money owed by an operator to any person under board orders or surface leases.

The Expropriation Act was administered by the board with respect to expropriation of land authorized under or pursuant to section 31 of The Water Resources Act and The Hydro and Electric Energy Act.

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[1] *The Surface Rights Board presents a detailed annual report to the Minister of Agriculture each year.*

ALBERTA DAIRY CONTROL BOARD

The Dairy Board, operating under The Dairy Board Act, met its responsibilities in the administration of fluid milk, industrial milk and cream sectors. These responsibilities included the licensing of dairy producers, processors and distributors of fluid products; setting and adjusting fluid milk quotas; regulating time and payment to producers; and in general governing the sale of milk in Alberta.

The board was responsible for the operation of the Alberta milk market sharing plan, an industrial milk plan entered into by federal and provincial authorities. The board was a member of the Canadian Milk Supply Management Committee, a body responsible for the development of the national dairy policy.

The number of active dairy producers — fluid milk, industrial milk and cream — as of March 31, 1988 totalled 2,185. Total provincial production was down by 0.19 per cent from the previous fiscal year. Total milk production, fluid milk and industrial, increased by 0.30 per cent, and cream production decreased by 13.08 per cent. Fluid milk sales increased by 0.54 per cent from the previous year.

The board operated a fluid milk equalization pool for Alberta fluid milk producers. This plan successfully completed its 12th year of operation and enabled producers to share in the sale of fluid milk returns regardless of location or source of sales.

On October 1, 1987, 174 additional producers were accepted under the graduated entry program. A total of 1,104 industrial producers have entered the fluid sector since the start of the graduated entry program in 1975.

Producer financial returns for fluid milk, industrial milk and farm separated cream varied during the year. Fluid milk prices decreased $0.98 per hectolitre June 1987 and increased by $0.98 per hectolitre February 1988, ending the fiscal year at $48.13 per hectolitre. Industrial milk advanced $0.30 per hectolitre October 1, 1987 and $0.58 per hectolitre February 1, 1988 ending the fiscal year at $40.56 per hectolitre. Churning cream prices also increased on February 1, 1988.

Board staff maintained an audit program of all fluid processors to ensure compliance with regulations issued under the authority of The Alberta Dairy Board Act.

AGRICULTURAL PRODUCTS MARKETING COUNCIL

In June 1987 a new Marketing and Agricultural Products Act was proclaimed, making 1987-88 a year of significant change for Marketing Council. Several new members were appointed to Council while others left Council.

Despite revisions to the Act, the role of the Agricultural Products Marketing Council did not change. Council continued to facilitate the establishment of producer marketing boards and commissions and to provide for their continuing supervision. The boards and commissions that operated in the province were the Alberta Cattle Commission, Alberta Egg and Fowl Marketing Board, Alberta Hatching Egg Marketing Board, Alberta Pork Producers' Marketing Board, Alberta Potato Commission, Alberta Sheep and Wool Commission, Alberta Sugar Beet Growers' Marketing Board, Alberta Turkey Growers' Marketing Board, Alberta Fresh Vegetable Marketing Board and Alberta Vegetable Growers' Marketing Board.

During the year there were no new boards or commissions established under the Act. Marketing Council did, however, supervise a plebiscite for the Alberta Potato Commission to establish itself as a marketing board.

Marketing Council was no longer responsible for arbitrating disputes within the industry. Instead an Appeal Tribunal, a quasi-judicial body with its members appointed by the Minister of Agriculture, was established under the new Act. Marketing Council provided the operational support for this tribunal.

In spite of these significant changes, Council's policy for the year was to operate on a business as usual basis. Current plans and regulations for all the existing boards and commissions remained in full force and effect and the council stayed as close of possible within its previous policies and procedures. All of the boards and commissions were advised soon after the proclamation of the new Act that each is expected, within a reasonable period of time, to revise their plans and regulations to bring them in accord with the new legislation.

Under this Act, Council also assumed the new responsibility of preparing a report summarizing its activities of the previous year for the Minister of Agriculture and the legislature.

RESEARCH DIVISION

During 1987-88, the research division continued to perform its various functions. These included managing research grant programs, agricultural research planning, evaluating agricultural research programs and projects, disseminating research information and co-ordinating research activities.

Among the division's prime responsibilities during the year was the administration of the Farming for the Future agricultural research program. Since 1978, Farming for the Future has financially supported more than 940 research and demonstration projects, and to that end, over its nine-year span the program had been allocated a total of $45 million from the Alberta Heritage Savings Trust Fund.

Another key divisional responsibility was to assist in the start-up of the Alberta Agricultural Research Institute. The institute is designed to play an important role in Alberta's future agricultural research efforts. Its primary objectives are to co-ordinate, promote and support agricultural research. The enabling legislation for the institute was proclaimed in July 1987.

To promote public awareness of agricultural research, the research division issued a number of publications in 1987-88. These included two bulletins listing research and demonstration projects which were published as inserts in *Country Guide* magazine. During the year, the *Farming for the Future Progress Report 1987* as well as seven issues of the magazine *Research Report* were published. The magazine deals with the recent results of and developments in agricultural research. The magazine's content was specifically written and designed to inform producers, extension workers and the public in general.

In 1987-88, the division's research co-ordination activities included maintaining direct contacts with numerous provincial and national research agencies and research co-ordinating bodies. The division provided various services to the 16 decision and policy-making bodies associated with the Farming for the Future program. It also provided administrative services to the Alberta Agricultural Coordinating Committee (AACC) and maintained contact with the AACC's 14 advisory committees.

Division staff represented Alberta and the department at a number of levels. For instance, division staff represented the AACC on the national co-ordinating body for agricultural research, and participated in the ongoing national inventory of agricultural research. The division's executive director represented Alberta Agriculture on the Provincial Technology and Research Advisory Committee and the Canadian Agricultural Research Council. This type of interaction helped ensure effective co-ordination of Alberta Agriculture's research activities, and maximized the exchange of research findings within and between the department and other agencies.

Farming for the Future

The Farming for the Future program is financially supported by the Alberta Heritage Savings Trust Fund for the purpose of funding agricultural research which benefits Alberta food producers and processors. The program is administered by the Farming for the Future Council.[1] The research division provided ongoing, general administration of Farming for the Future, in addition to administering individual Farming for the Future projects carried out by Alberta Agriculture and Agriculture Canada research scientists.

Farming for the Future has two principal funding vehicles: the research program and the on-farm demonstration program. The projects that are supported within the parameters of the two programs are chosen on the basis of several criteria, including their ability to help enhance the long-term viability and profitability of Alberta's agricultural industry.

In 1987-88, Farming for the Future completed the first year of its third mandate, which runs for five years until March 1992. During the year, Farming for the Future grants totalling $3.8 million were awarded to 86 new projects under the research program. Since funding began in 1978, 461 research projects have been awarded a total of $39.61 million.

The specific goal of the on-farm demonstration program is to accelerate the transfer of new technology to producers. Under this program, farmers, department staff and research scientists work together to demonstrate new agricultural innovations in action. The on-farm demonstration program began in 1982. In that interval, 481 projects have been approved awards totalling $2.12 million. In 1987-88 alone, 142 on-farm demonstrations were approved at a total cost of $547,101, up 19.3 per cent over 1986-87.[2]

Alberta Agricultural Research Institute

With the passage of its enabling legislation, the Alberta Agricultural Research Institute was created on July 15, 1987. The institute is a provincial Crown corporation, governed by a board of directors appointed by the Minister of Agriculture. The board consists of farmers, agribusinessmen and representatives of the major agricultural research agencies and relevant departments of the Alberta Government. The board met on several occasions in 1987-88, during which it established the official mandate, priorities and operating guidelines for the institute.[3]

[1] *In 1987, the Agricultural Research Council of Alberta was renamed the Farming for the Future Council.*

[2] *A more detailed and comprehensive report on Farming for the Future activities is provided to the Legislature annually through the Minister of Agriculture.*

[3] *The Alberta Agricultural Research Institute is required to publish a statutory annual report to provide more detailed information on its activities.*

PERSONNEL SERVICES

The personnel services division administers and assists in the development of policies and procedures related to staff and organizational development, occupational health and safety, classification and compensation, recruitment and selection, employee relations, and pay and benefits administration.

Staff and organization development provided management advisory services and human resource development co-ordination to ensure that job-related learning was available for all staff. Advice was provided in the management process, which included performance appraisal systems. Several organizational reviews were conducted in the planning and development sector and central program support, and a review was initiated in the Leduc food processing centre.

The section processed 10 applications for education leave and 1,392 applications for training courses of which 384 were in-service, 775 out-service and 384 in-house.

Occupational health and safety concerns were investigated in co-operation with the occupational health and safety branch of the Personnel Administration Office. The majority of these investigations concerned air quality within buildings. Worksite program evaluations were carried out at two of the department's major worksites resulting in high evaluations for both. Inventories of chemicals used by the department were reviewed and updated in anticipation of implementation of the workplace hazardous materials information system on October 1, 1988. Back injury seminars and audiometric screening was carried out at various worksites across the province.

OCCUPATIONAL HEALTH & SAFETY PROGRAM STATISTICS 1987 - 1988

Total possible manhours	3,432,241
Disabling injuries	25
Medical aid cases	21
Fatalities	0
Frequency rate	7.28
Severity rate	106.34

* *Frequency rate is the number of disabling injuries per million manhours.*

** *Severity rate is the number of work days lost due to disabling injuries per million manhours.*

DIRECT COSTS PAID OUT BY THE WORKERS' COMPENSATION BOARD:

Current (April 1, 1987 - March 31, 1988)	
Compensation of wages	$10,849.74
Medical costs	$7,956.01
Pension awards	0
Prior Years Cost	
Compensation of wages	$9,595.65
Medical costs	$38,394.56
Pension awards	$358,109.31

PERSONNEL SERVICES TRANSACTIONS FOR THE PERIOD April 1, 1987 to March 31, 1988

Commencements	117
Terminations	178
Transfers	108
Reclassifications	138
Updates	71
Position Creations (permanent and temporary)	61

Personnel administrators provided training resources, recruitment and selection, position classification and employee relations services to the department.

Delegation of management classification, entry level clerical recruitment as well as some parts of management salary administration from the Personnel Administration Office commenced during the year.

During the period of restraint, recruitment activity slowed but increased in the first three months of 1988. Employee relations activity increased steadily resulting in several adjudication hearings in which decisions were in favor of the department or are pending.

Position abolishment was not the major concern as in past years with only one employee being unable to be relocated elsewhere within the government service.

The personnel committee responsible for administering the decentralized classification program for the bargaining unit and opted out and excluded classes met on a regular basis to review classification requests, as did the management sub-level review committee.

Wage employment varied from 490 to 740 during the period.

PERMANENT POSITIONS AS OF APRIL 1, 1987

Department Support Services	152
Primary Production	441
Marketing and Processing	102
Field Services	414
Planning and Development	206
Total	1315

FINANCE AND ADMINISTRATION

The finance and administration division provided centralized financial services to the department, ensuring consistency and compliance with The Financial Administration Act and related directives of Treasury Board. It was responsible for the accounting and control of expenditures and revenue, development and review of financial systems and procedures to ensure effective financial management, co-ordination of the budgetary process, and co-ordination of facilities required for the working environment of departmental staff. It accomplished this through the following branches:

Accounts Branch
The branch controlled the department's financial affairs by administering accounts payable, receivables, revenues and general accounting of the department.

Administration Branch
The branch co-ordinated the acquisition and the provision of departmental administrative facilities and services.

Budget Branch
The branch was responsible for budget co-ordination and control, to ensure all budgeted expenditures reflect departmental programs.

Financial Review
The branch conducted internal financial reviews to ensure that control procedures are implemented in the department.

Financial Systems
The branch developed and implemented all accounting and financial management information systems within the department.

BUDGET ESTIMATES, SPECIAL WARRANTS AND EXPENDITURES CLASSIFIED BY VOTE ($000)

	1987-88 Budget Estimates	1987-88 Special Warrants	Expenditures for the Years Ending March 31 1988(a)	1987(b)
VOTE 1 — DEPARTMENTAL SUPPORT SERVICES (No Sub-Program Breakdown)				
TOTAL VOTE 1	10,640		9,926	9,951
VOTE 2 — SUPPORT FOR PRIMARY PRODUCTION (Sub-Programs)				
Program Support	1,505		1,478	1,599
Animal Products	72,502	27,000	98,131	134,166
Animal Health	8,203		8,057	8,334
Plant Products	34,453		31,608	33,785
TOTAL VOTE 2	116,663	27,000	139,274	177,884
VOTE 3 — SUPPORT FOR MARKETING ASSISTANCE (Sub-Programs)				
Program Support	413		379	410
Marketing Services	13,130	4,800	17,546	12,694
Market Development	3,776		3,635	3,442
TOTAL VOTE 3	17,319	4,800	21,560	16,546
VOTE 4 — FIELD SERVICES (Sub-Programs)				
Program Support	242		234	242
Advisory Services	15,861		15,284	15,619
Rural Services	12,952		12,409	16,956
Farm Financial Management	1,670		686	911
TOTAL VOTE 4	30,725		28,613	33,728
VOTE 5 — PLANNING AND DEVELOPMENT (Sub-Programs)				
Program Support	869		830	1,067
Economic Services	3,390		3,185	3,319
Resource Planning	3,127		2,940	3,276
Irrigation and Conservation	4,964		5,030	5,020
Research	555		464	1,126
TOTAL VOTE 5	12,905		12,449	13,808

BUDGET ESTIMATES, SPECIAL WARRANTS AND EXPENDITURES CLASSIFIED BY VOTE ($000)

	1987-88 Budget Estimates	1987-88 Special Warrants	Expenditures for the Years Ending March 31 1988(a)	1987(b)
VOTE 6 — AGRICULTURE DEVELOPMENT LENDING ASSISTANCE				
(No Sub-Program Breakdown)				
TOTAL VOTE 6	55,807		55,807	114,224
VOTE 7 — HAIL AND CROP INSURANCE ASSISTANCE				
(No Sub-Program Breakdown)				
TOTAL VOTE 7	17,791		16,271	37,070
TOTAL DEPARTMENT	261,850	31,800	283,900	403,211

a) Preliminay - not audited
b) Audited figures have been restated where necessary to conform to 1988 presentation.

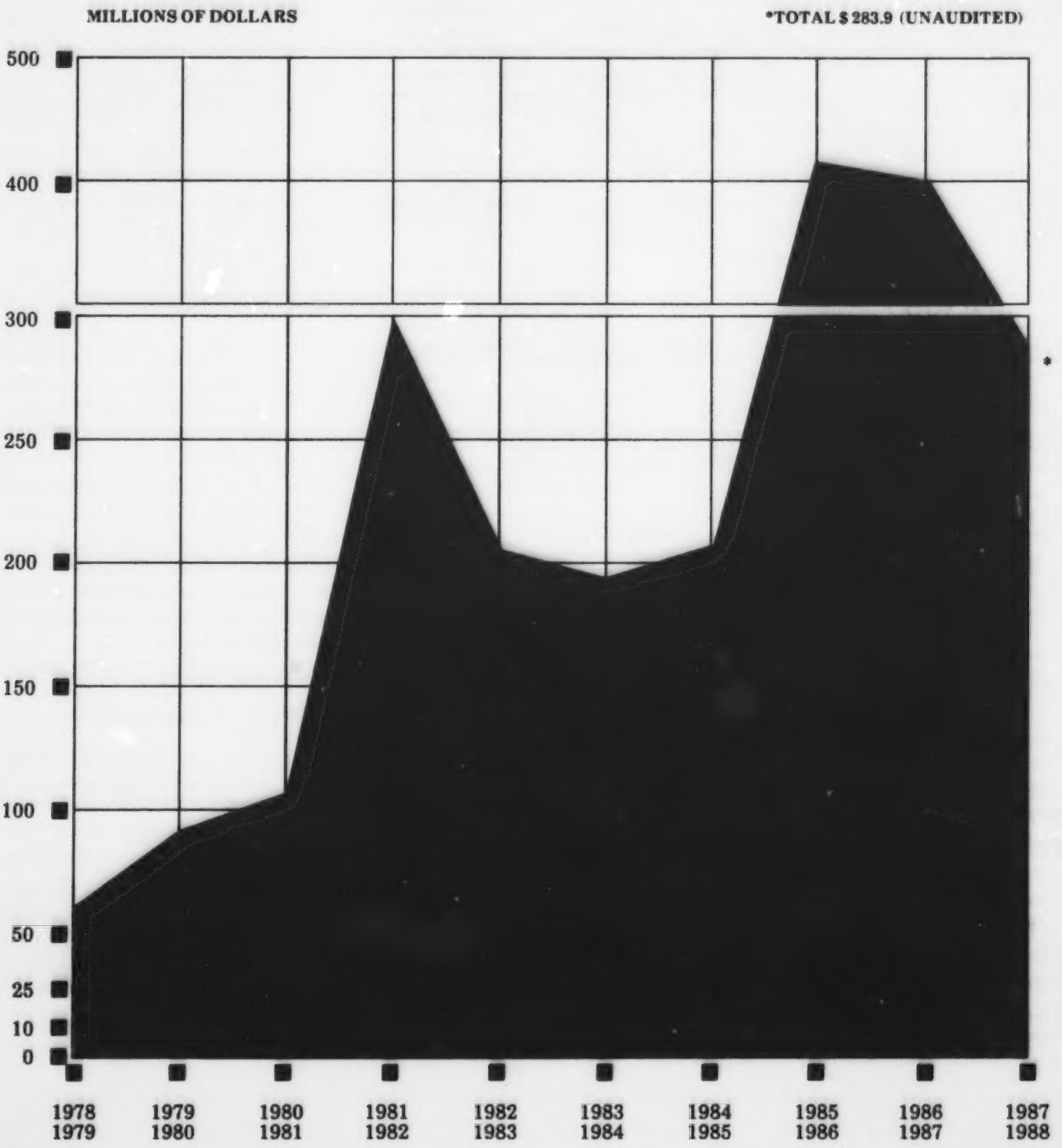
STATEMENT OF REVENUE FOR THE YEAR ENDED MARCH 31, 1988

	1987/88 (a)	1986/87 (b)
PAYMENTS FROM GOVERNMENT OF CANADA:		
Miscellaneous	230,376	207,326
FEES, PERMITS AND LICENSES:		
Brand Inspection	1,502,106	576,300
Brand Registration	258,930	36,044
Swine Breeding	183,985	88,570
Soil and Feed Testing	143,004	149,659
Livestock Water Program	118,606	132,415
Farm Livestock Veterinary Lab	98,570	0
Dairy Lab Testing	90,696	77,100
Artificial Insemination	56,284	74,736
Other	316,249	211,984
OTHER REVENUE		
REFUNDS OF EXPENDITURE:		
Previous Year Refunds	12,586,516	136,141
Dairy Control Act	370,490	359,940
Other	12,329	46,244
SALE OF ASSETS:	137,671	67,457
MISCELLANEOUS:	87,339	1,056,734
TOTAL REVENUE	16,193,151	3,220,650

a) Preliminary - not audited.
b) Audited figures have been restated where necessary to conform to 1988 presentation.

Other revenues received from the Government of Canada, such as Agricultural Processing and Marketing Agreement and Hail and Crop Insurance are not reflected in the above figures, as they are collected and reported by Alberta Treasury.

Alberta Agriculture Expenditures 1978-1988



1987 - 1988
PLANNING AND DEVELOPMENT

The planning and development sector is designed to ensure close coordination of [illegible] planning services contributing to a viable agricultural community with the planning and development of agriculture's most basic resources, land, soil and water. The [illegible] objectives of the sector include:

- to ensure the provision of a complete range of up-to-date applied agricultural economic services that will contribute to a viable agricultural industry;
- to provide [illegible] for applied agricultural economics in the department;
- to effectively meet the needs of the department for strategic planning, program planning, evaluation, policy analysis and policy development;
- to provide effective support services to the department in the area of electronic Data Processing (EDP) development, maintenance and use;
- to promote management and conservation techniques among farmers, producer groups and local authorities in order to achieve better use of land and water resources for sustained agricultural production;
- to provide [illegible] project planning, land evaluation and resource analysis support to farm organizations, local authorities and provincial agencies to assist them in the planning, allocation and development of Alberta's land and water resources for the long-term benefit of agriculture in the province;
- to support the activities of the province's Irrigation Council in its role of administering The Irrigation Act and the irrigation rehabilitation and expansion program.

PLANNING SECRETARIAT

The work of the Planning Secretariat focused on Alberta Agriculture's goal of developing and advocating provincial agricultural policy. In 1987-88, the Planning Secretariat analysed policy and program issues and developed alternatives in a number of policy and program areas.

In the area of policy analysis, grain handling and transportation continued to be a priority in 1987-88. In conjunction with Alberta Economic Development and Trade and the Government of British Columbia, the Planning Secretariat worked to formulate a method of paying the Crow benefit directly to Alberta and B.C. farmers. The Secretariat conducted a producer attitude survey; undertook a technical analysis of a separate method of payment; drafted papers on method of payment principles, strategies and administrative mechanisms; and liased with farm organizations, the federal government and other parties interested in the method of payment issue.

Other Canadian grain policy issues which received attention during 1987-88 included co-ordination of a major study on alternatives to the current canola marketing system, development of an Alberta government submission to the Canadian Wheat Board Quota Review Committee, and preparation of a position paper on producer cars for the Canadian Grain Commission. A Secretariat member acted as a process consultant to the interdepartmental committee responsible for preparing a discussion paper on ethanol fuels in Alberta.

The Secretariat also monitored events and activities in the Canadian red meat and livestock sectors. The impacts on the livestock industry arising from the Crow benefit offset program, the results of the U.S. International Trade Commission investigation of the Canada-U.S. cattle trade, the impacts of the Canada-U.S. trade agreement, and the legislative and regulatory changes required to take advantage of the trade agreement were assessed. The structural factors affecting the development of the Alberta hog industry were reviewed and the results were presented to the Pork Industry Advisory Committee. In response to requests from the livestock industry, the Secretariat participated in a study of reciprocal beef grading between Canada and the United States. The study was presented to and accepted by the Canada Meat Council.

The Secretariat worked with other parts of the department and the livestock industry in developing Alberta's position on possible changes to the red meat tripartite stabilization program's entry provisions and the maintenance of discipline in the implementation of program support to the livestock sector.

The Planning Secretariat participated in farm income support activities during the year. It represented Alberta Agriculture on the Federal/Provincial Grain Safety Net Committee, drafted terms of reference on the long-term direction of the Federal/Provincial Farm Income Support Committee, and analysed Western Grain Stabilization Act issues such as the impact of excluding farm-to-farm sales and farm-fed grain. Work was done in evaluating the 1987 extension of the special Canadian grains program and in developing a position from which to appeal to the federal government for program changes of benefit to Alberta farmers. Finally, Secretariat membership on the provincial Crop Insurance Implementation Committee provided follow up to the Alberta Crop Insurance Review.

Several program evaluations were undertaken by the Secretariat during 1987-88. For example, it determined the value of a fee structure for Alberta Agriculture's dugout site testing program and tabulated responses to an agricultural producer survey. The Secretariat also worked with the program administrator of the Alberta feed grain market adjustment program to simplify the program's claims procedures. The replacement program — the Crow benefit offset program — became operational on July 1, 1987.

The Secretariat continued to act as liaison between Alberta Agriculture and native agricultural development programs. In co-operation with the Metis services branch of Alberta Municipal Affairs and the Federation of Metis Settlements, the Secretariat commenced a study of agriculture potential on Metis settlements. A member of the Secretariat also played an advisory role with the Alberta Indian Agricultural Development Corporation.

As part of their day-to-day activities, Planning Secretariat staff prepared briefings and other documents that addressed a variety of agricultural issues in response to departmental, interdepartmental and ministerial needs. As well, staff continued to act as consultants in a variety of roles (expert, resource, process), assisting farm organizations and other parts of the department in strategic planning, program planning, evaluation, policy analysis and development.

The Secretariat contributed to the development of the department's strategic management plan and co-ordinated the preparation of a discussion paper which outlined the policies of the Government of Alberta on major agricultural issues. The strategic management plan and the agriculture discussion paper serve as Alberta Agriculture's framework for making planning and budgeting decisions.

ECONOMIC SERVICES DIVISION

Economic services division continued to place high priority on economic, financial, legal, marketing, taxation and research issues relating to agriculture. The downturn in the agriculture industry, particularly in the grains sector, meant additional demand for the division's services. These services which included applied economic services in commodity marketing and extension, production cost research and data analysis, legal information and advice, and farm management services were provided to farmers, government departments and agencies, farm organizations and the private sector servicing the agricultural industry. Extraordinary efforts were directed to the financial problems facing farmers this year.

Farm Business Management Branch

The farm business management branch continued to develop and adapt farm management technology for use by farm families in making business decisions. This information was delivered to the agriculture sector through special programs, conferences, branch publications and the media. The branch also supplied support and training to department staff.

The farm financial management initiatives program involved 350 farm families in 33 intensive Gear Up Financially courses. As well, approximately 200 farm families took part in the in-depth consultation portion of this program.

In the farm accounting assistance part of this program, numerous courses were offered across the province. Work on a home study course began to extend part of the Gear Up Financially material to a wider audience.

A co-operative project with IBM Canada Ltd., University of Alberta and Alberta Agriculture involved over 900 participants in Computers On Wheels courses. Their purpose was to give farmers hands-on experience in personal computer operations relating to farm business management. Two courses on physical record keeping and financial record keeping were introduced.

In co-operation with Olds College and the University of Alberta, the branch organized the first annual Agricultural Management Systems — Directions and Visions conference. The conference, held in Calgary, attracted over 100 participants interested in the development of agricultural software.

The eleventh Managing Agricultural Technology for Profit conference was held at The Lodge at Kananaskis. There were 412 participants in this farm conference. Videotapes of the most popular sessions were supplied to department video libraries.

The branch organized the eighth Agricultural Workshop for Lenders in co-operation with Olds College and bank agrologists.

Four one-day seminars were held to update accountants and lawyers on farm taxation and estate planning.

Information continued to be extended through *Agri-News* releases, radio and television interviews, presentations at meetings, trade fairs and seminars, and preparation of factsheets. Feature articles were prepared for *Alberta Farmagazine* and *Country Guide* inserts. Client office appointments dealt with: computers, estate planning, tax issues, credit application, financial management, accounting, business arrangements, machinery and land economics, custom rates and enterprise analysis.

The Save All Management Planning Calendar was distributed; production costs were shared by private industry.

The ongoing work of the branch is divided between the management technology, farm planning and financial management units.

The management technology unit continued to publish the *Compu-Farm* monthly newsletter with a circulation of 1,038. An annual subscription fee of $10 was introduced. Staff expanded accounting and record keeping software reviews with emphasis on farm management criteria.

This unit maintained a user's manual for department microcomputers, and provided assistance and advise to department staff and private individuals. Staff maintained mailing lists and databases on branch publications and course participant lists.

The distribution of Alberta Agriculture software for different brands of microcomputers was continued.

The farm planning section continued development of machinery economics and capital investment strategies. This section continued to support expertise in dairy economics. Farmers were advised on custom and land rental rates, machinery costs and production economics management (crops and beef).

Staff updated and printed copies of *Leasing Cropland in Alberta*, and *The Directory of Custom Operators in Alberta*. Custom rates survey information was also distributed.

The farm planning worksheets used in the farm financial management

initiatives program were revised and presented at six regional Gear Up Financially courses.

The financial management section continued to review and interpret tax legislation, providing comments and input into development of Alberta's position on tax reform issues. They also provided comments on agricultural credit issues. This section continued to maintain liaison with Revenue Canada, accountants and lawyers.

Staff developed and edited material on the upcoming Understanding Profit home study course. The staff also assisted with the preparation of a book keeping manual which was used by district offices when teaching book keeping courses. Staff updated and printed copies of *Sources of Credit Available in Alberta* and *Assistance Available for Alberta Farmers*. Financial record books, *Income and Expense -Basic Records for Alberta Farmers* and *Prairie Provinces' Farm Account Books* were distributed.

Agricultural Law Program

The agricultural law program assisted farmers, farm organizations, agribusiness and government personnel. Ninety-two farm law seminars were conducted around the province.

Staff spent approximately 50 per cent of their time informing farmers of the laws relating to mortgages, bank debentures, foreclosures, exemptions and bankruptcy.

A publication, *Legal Implications of Farm Financing*, was prepared.

Staff reviewed speciality crop contracts with producers and processors, and obtained agreement as to working interpretations for many of the terms that are used in growing and marketing of the crop.

Approximately 1,600 legal opinions were rendered through prepared opinions, letters and telephone calls to farmers and farm organizations in every region of the province. Approximately 600 individual consultations, both in the Edmonton office and in agricultural offices throughout the province, helped ensure that information disseminated through public forums was fully understood by farmers.

Market Analysis Branch

The objective of the market analysis branch was to provide farmers and other members of the agricultural sector with timely and pertinent market-related information on which to base production and marketing decisions.

The branch continued to monitor and analyse agricultural commodity and product markets, to prepare market situation and outlook reports, to interpret policy and other developments related to agricultural markets, to offer marketing extension courses and to provide market news and information.

Comprehensive reports on market prospects for the major farm commodities produced in the province were made available directly to over 4,000 farmers and others including the media. Continued emphasis was placed on distributing market analysis and outlook reports through commodity association newsletters such as the *Canola Digest*, *The Western Barley Grower*, *The Alberta Cattlemen*, *Forage Seed Notes*, *NuKrop News* and through the media. Specific situation and outlook reports were prepared upon the request of both in-house and outside clients.

The branch worked closely with field services staff and farm organizations in extending programs to provide farmers with a more thorough understanding of the function of the market, and information on innovative marketing techniques.

The provincial grain and livestock outlook conferences were again combined as Accent '87 — Taking Stock and held at Edmonton in March. The branch assisted the Alberta Cattle Commission in staging a beef market symposium for producers in Edmonton in February 1988.

The branch also disseminated market news and short-term analysis through *The Weekly Livestock Market Review* and *The Weekly Market Grains and Oilseeds Review*. This was mailed to about 8,000 producers and industry clients and distributed electronically through GRASSROOTS, I.P. Sharp's Gobal Information Network, the farm management branch's electronic bulletin board and internally through the department. RNEWS, a system for the electronic distribution of market information on a daily basis to regional offices was also developed and implemented. The monthly *Livestock Slaughter Summary* and the *Weekly Livestock and Grain Market Charts* were published to supplement the regular market news publications of the branch. A computerized agricultural market database, AGDATA, was maintained to facilitate internal research activities and for public use. The branch also continued to work closely with the Alberta Cattle Commission on its program for the collection and dissemination of cattle market news.

Statistics Branch

The statistics branch provided Alberta's farmers, agricultural industry, farm organizations, agribusiness and government with agricultural statistical information services.

Staff members maintained liaison with

the agriculture division of Statistics Canada, Agriculture Canada, farm and business organizations, and other government departments. The branch completed several surveys when other sources were non-existent or inadequate.

The *Annual Statistics Yearbook* was released in August. This document was supplemented throughout the year by releases on current agricultural statistics.

Data from the *1986 Census of Agriculture* became available, and the branch prepared and released a publication containing detailed information on the census figures relating to Alberta.

Each quarter an update on *Farm Cash Receipts and Expenses for Alberta Farmers* was prepared and released.

A regular crop report was released every two weeks from May to October with a year-end summary published in December. A quarterly forage report supplemented the crop report.

In addition to an annual survey of beekeepers, branch staff conducted a survey of vegetable and potato producers to obtain acreage and production data. They also conducted a sheep survey which obtained information on production and marketing intentions of Alberta sheep producers.

A one-page factsheet presenting major provincial agricultural statistics was issued.

The branch continued its involvement in price collection and reporting by releasing reports on weekly average retail food prices for Edmonton and Calgary; weekly producer, wholesale and retail food prices; and monthly average farm input prices in Alberta.

The branch continued to improve available data and information on agricultural imports coming into Alberta and agricultural exports leaving the province.

The branch continued to collect information on agricultural products after they leave the farm gate.

Branch staff conducted a speciality crop survey to obtain additional information on acreage and yields of speciality crops in Alberta.

Custom rate data and information were obtained from many producers across the province.

The branch conducted a survey of irrigation producers in Alberta.

Production and Resource Economics Branch

The production and resource economics branch continued its research into the economics of livestock and crop production, and the economics of resource development and use for agricultural production. The production section provided information to farm clients aimed at improving economic efficiency and reducing their cost of production. The section also assembled cost information for several provincial and federal programs.

The production section completed its analysis of custom feeding for the national tripartite beef stabilization model. Work also started on developing a beef cow-calf model which could be used as an alternative to the national tripartite cow-calf model. The final year of a three-year study of the economics of cow-calf production was completed.

Fluid milk production costs were monitored throughout the year, and monthly reports were submitted to the Public Utilities Board (PUB) assisting the board to set the producer price for fluid milk. The annual dairy cost study indicated only a marginal (one per cent) increase in production costs from 1986.

Hog and sheep farms were surveyed to obtain 1987 production returns and costs. Quarterly and annual estimates of hog production returns and costs were distributed by the branch. These estimates were generated by a hog production model developed by the branch.

The production section continued surveys of turkey, table egg and hatching egg production in the province. Reports were published on table egg and heavy turkey production.

Staff were heavily involved in developing national tripartite stabilization programs for sugar beets, dry edible beans and honey. Due to greater demands for industry cash costs to meet these stabilization initiatives, the crop case study research program was expanded to include more crops and a larger sample size. The new crops included field peas, lentils and safflower. Two hundred and fifty-two producers participated in the 1987 crop case study. A report summarizing production costs and returns for dryland and irrigated crop production was distributed.

A report was published on the economics of hydroponic greenhouse production of tomatoes and cucumbers.

The branch continued to provide information on transportation costs, policy developments and freight rate charges for a wide variety of agricultural commodities transported by rail, truck and air. A quarterly newsletter, *Agriculture Transportation*, and a booklet, *Statutory Grain Freight Rates from Alberta to Vancouver/Prince Rupert and Thunder Bay* for the 1987-88 crop year, were published.

The resource section concentrated its efforts on conservation and resource use. It undertook a joint project with Alberta Environment to develop a method of analysing the economic risk of irrigation expansion. The final report was completed and submitted to the committee. Staff also participated

in a study with Alberta Environment, PFRA and the Blood Indian Band to examine the feasibility of irrigation and cost sharing on the reserve.

Other studies undertaken by this section included an evaluation of conservation tillage practices and economics of rangeland improvement. Work continued on a salinity control study.

Up-to-date information on agricultural real estate transactions and land values was provided through quarterly real estate reports. An annual real estate report was also published.

Branch staff were involved in several committees. These included subcommittees on free trade, maximum economic yield and tripartite. Several applications from immigrant entrepreneurs were analysed for Alberta Manpower. Staff reviewed research reports and applications for Farming for the Future research grants, provided consultative services and answered numerous requests for information. Staff were also called as expert witnesses in legal proceedings.

IRRIGATION AND RESOURCE MANAGEMENT DIVISION

The irrigation and resource management division was established with the amalgamation of the resource planning division and the irrigation and conservation division on January 4, 1988. With this consolidation, Alberta Agriculture's efforts in developing and transferring soil and water management, development and reclamation technology to producers and resource management agencies became more focused under one director located in Edmonton. Programs administered by the division addressed both irrigation and dryland soil and water management across the province.

Further organizational changes were also made at the branch level within the irrigation and resource management division. The four branches headquartered in Lethbridge were consolidated into two branches effective January 18, 1988. The project planning branch was incorporated into the irrigation branch. The new land evaluation and reclamation branch resulted from the amalgamation of the land classification and the drainage branches. The role of the new branch was to address and mitigate the environmental impacts of irrigation development whether they be land degradation or water quality related.

The programs of the irrigation and resource management division focused on promoting the stewardship of agricultural soil and water resources to sustain the productive capability of Alberta's natural resources.

Programs were also directed at developing primary producers' skills and knowledge in respect to soil and water management. Producer organizations devoted to the stewardship of agricultural soil and water resources were also promoted and supported.

During 1987-88, the division was involved in leading the development of an agricultural resource strategy for Alberta, based on soil and water conservation and development. Together with Alberta Environment, Alberta Forestry, Lands and Wildlife, Alberta Municipal Affairs, Alberta Transportation and Utilities and the Alberta Water Resources Commission, a strategy for focusing on 23 soil and water conservation and development issues was developed.

A major review of the irrigation rehabilitation and expansion program, funded by the Alberta Heritage Trust Fund, was co-ordinated by the division to evaluate the effectiveness of the program administration. A consortium of consultants was contracted to undertake the review. Subsequently, a round of individual consultations with the 13 irrigation districts was conducted to collect client views of the report and recommendations.

With the December 15 announcement of a major new federal initiative in soil conservation, considerable effort was directed towards the development of a program to address Alberta's unique soil conservation needs and to identify the province's cost-shared contributions.

The Canada-Alberta Agreement on Soil, Water and Cropping Research and Technology Transfer (CARTT) was signed August 19, 1987. This agreement provides $4 million over six years to support research efforts directed at improving agronomic practices in northeastern Alberta and the transfer of soil, water and cropping technology across the province. Considerable support was provided by the division in co-ordinating the development of work plans and administering this agreement.

The division provided input into the development of The Agricultural Operation Practices Act, irrigation expansion guidelines, the review of wildlife crop damage compensation and keeping of livestock regulations.

Irrigation Branch

The programs of the irrigation branch focused on developing and promoting the adoption of on-farm and project irrigation and drainage management and development technology. Major program areas included: irrigation capital works evaluation and monitoring, irrigation projects system planning, irrigation applied research, on-farm irrigation and drainage development planning, irrigation management advisory service, irrigation feasibility and planning, and irrigation extension.

Detailed planning studies for six irrigation projects and seven preliminary irrigation feasibility studies for expansion blocks were completed. The branch participated in special studies for United Irrigation District headworks rehabilitation, Blackfoot and Blood Indian Reserve, irrigation district model development, Oldman Dam development, irrigation risk analysis, irrigation capital works program evaluation, water management in the South Saskatchewan River Basin and the Red Deer Valley study.

The Irrigation Council was assisted by reviewing 47 irrigation rehabilitation and expansion program engineering reports. In addition 93 projects were monitored during construction with subsequent reporting to Irrigation Council. Evaluations were carried out on fabriform chutes, rock drops, flax straw drops and gravel armour of canals. Updating of irrigation district distribution maps were completed.

As a support to irrigation district water use efficiency, flow monitoring was carried out at 31 sites involving blocks in five irrigation districts.

Applied research and evaluation studies included: buried plastic pipe deflection, water conveyance efficiency study, evaluation of pre-seeded grass on ditch banks, monitoring of reinforced concrete canal linings, functional study of irrigation turnout gates, life of corrugated metal pipes, building and testing of a self-cleaning screen for pipe inlets and root development of irrigated crops. Staff were involved in developing research project proposals for water measurement devices and biological control of aquatic weeds using sterile grass carp.

In 1987, 137 irrigation farmers representing 28,000 acres, participated in the irrigation management program. The pump testing program for individual farmers continued with emphasis in obtaining greater system information for irrigation management program clientele.

The *Water Hauler's Bulletin* continued to extend information on irrigation construction techniques, management and operation tips, and research results.

New system installations and land levelling activities continued at a high level despite reduced commodity prices. Much activity focused on consultation and technical assistance in the upgrading of systems, the conversion of equipment and pumping energy source changes to achieve more effective irrigation at less cost.

Interest continued in land improvements through surface drainage. Demand for land reclamation project investigation increased.

Activity in preparing agricultural feasibility reports for private irrigation projects continued at a high rate despite moratoriums and water supply uncertainties in many areas.

Staff maintained their presence and visibility in several irrigation-oriented extension functions or activities including short courses, seminars, contributions to regular newsletters, news columns, special features in the media and most significantly an irrigation symposium offered to farmers and the general public. Participation in assessing alternative crop potentials, system upgrading considerations and irrigation management of specific crops increased.

IRRIGATION BRANCH 1987-88 COMPARATIVE STATISTICS

	81-82	82-83	83-84	84-85	85-86	86-87	87-88
Acres of land levelled	3,175	3,262	3,513	1,992	2,021	3,950	3,200
Sprinkler system investigation	420	560	640	721	911	1,008	1,070
Water license feasibility reports	112	99	142	133	187	225	190
Irrigation management participants	220	213	181	158	170	171	137
Subsurface drainage investigation	29	32	161	103	175	276	338

Land Evaluation and Reclamation Branch

The land evaluation and reclamation branch programs focused on land evaluation, seepage control and land reclamation for irrigated lands in order to conserve and sustain the productive capacity of soil and water resources. Major program areas included: salinity identification, control and reclamation; irrigability land classification; surface and subsurface water quality monitoring; canal seepage control; groundwater flow evaluation and irrigation impact assessments.

Demand by farmers for classification of land for irrigation continued to be heavy in 1987-88. A total of 613 requests were completed during the year, covering 87,654 acres of land. A backlog of 294 requests remained on hand at the end of the year.

The land evaluation and reclamation branch laboratory analysed or contracted out a total of 30,000 soil and water analyses. Private laboratories handled about 90 per cent of the soil and water analysis. The branch continued to assist other branches and the Prairie Farm Rehabilitation Administration (PFRA) with sample preparation and quality control on analyses carried out by private laboratories.

On behalf of the Alberta Water Resources Commission, the branch supervised the classification of 215,830 acres of land for irrigation planning purposes in the Redcliff and Suffield areas. A summary report and map were prepared for an additional 75,000 acres in the Pinchet Creek area which were classified in 1987 for Alberta Environment. The branch also supervised the soil survey work carried out in the County of Flatstaff and St. Paul by the Alberta Research Council. The branch initiated the tabulation and mapping of all saline/wetland areas within the 13 irrigation districts of southern Alberta.

A total of 18 applied research projects were carried out including irrigability of solonetzic soils, reclamation rates of soils after canal rehabilitation, comparison of drainage methods for canal seepage control, groundwater flow characteristics of till soils, irrigation impact on water quality, and salinity control using drainage and vegetative cropping.

Direct assistance to the irrigation districts and farmers continued to be an important activity for the branch. Investigation and design of a subsurface drainage system on a 750-acre saline/waterlogged area was initiated in conjunction with the Lethbridge Northern Irrigation District. Monitoring of the 400-acre subsurface drainage installation in the St. Mary Irrigation District near Bow Island continued. Irrigation districts and individual farmers showed increased interest in the use of subsurface drainage for reclamation of saline and waterlogged soils. Additional seepage control and groundwater investigations were carried out in the United, St. Mary River, Magrath, Taber and Bow River Irrigation Districts.

The land evaluation and reclamation branch continued a major groundwater and irrigation impact study in the Milk River Basin in conjunction with Alberta Environment. Additional water quality monitoring was carried out in the Etzikom Coulee and Verdigris Coulee projects. A co-operative study with Alberta Environment was initiated to monitor pesticides in groundwater. Ongoing monitoring of subsurface drainage continued to evaluate drainage effluent water quality and potential impacts on surface water quality.

Branch staff were involved in the review of approximately 75 irrigation rehabilitation reports for Irrigation Council. Staff were also involved with review and updating of report preparation guidelines for irrigation rehabilitation and expansion program projects.

The branch provided assistance to other government agencies, irrigation districts and the private sector with aerial photo mapping information related to irrigation development. Two mapping projects completed included an extension to Steinback reservoir and Matzhiwin Creek in the Eastern Irrigation District.

The branch continued with overall management of the Lethbridge Wind Research Test site, which tests and demonstrates solar and wind pumping systems for agricultural water supply.

Extension activities continue to be an important part of the land evaluation and reclamation branch. Approximately 25 technical reports and papers were completed and research results presented at seminars, workshops and conferences throughout Alberta. Development of private industry capabilities in the areas of soil classification, laboratory analysis, salinity identification and reclamation was handled through individual contact, contract supervision and research co-operation.

Conservation and Development Branch

The conservation and development branch during 1987-88 developed, promoted and extended soil conservation and farm water management technology to farmers, rural municipalities and agencies. It promoted awareness through the news media and by means of manuals and brochures. It continued to plan, co-ordinate, and provide input to soil conservation surveys, to soil and water degradation control studies and to technology transfer events.

The branch supplied the agricultural community and government planners with climate and weather information. The Farm Weather Line in Grande Prairie, Edmonton, Calgary and

Lethbridge, provided agricultural weather forecasts to over 75,000 callers during the crop season. Some 230 individuals and/or agencies received the branch's weekly publication, *Alberta Agricultural Weather Summary*.

Soil moisture monitoring across the province revealed areas of concern. Fall soil moisture maps alerted fieldstaff and farmers to impending drought conditions. Snow management and other moisture conservation technology information was published in farm magazines. Tests on mini-reservoir cultivation to enhance soil moisture were carried out.

The branch conducted a survey of farmers on the topic of conservation tillage and soil conservation. A major conclusion of the study was that conservation tillage is expected to increase in the future.

Three of eight manuals in a soil and water conservation series were developed and distributed to field services and agricultural service boards. Each manual, provided a ready reference for practical application of technology and programs. In addition a producer-oriented feature film, *Water! Water?*, which shows on-farm water conservation and management, was completed and distributed in video form to district offices.

The branch continued to assist agricultural service boards in delivering resource conservation projects throughout the province. A total of 156 applications for assistance under the farmland development and reclamation program (FDRP) were received, with 144 technical approvals completed. In addition, 141 soil conservation area program (SCAP) applications pertaining to water and wind erosion, and salinity control were received. Technical assistance was often provided in the form of topographical surveys and engineering designs.

The branch provided input to the disaster assistance program of Alberta Public Safety Services. The input involved technical assistance in evaluating silting and erosion damages as a result of the 1986 Pembina River and the 1987 Simonette and Little Smoky River floodings. The branch also assisted with the development of grant guidelines related to field erosion caused by severe rainstorms such as the 1987 tornado.

The dryland salinity investigation service (DSIS), was continued in close co-operation with PFRA, the Dryland Salinity Control Association, and agricultural service boards. Twenty-nine DSIS applications were handled. Over 60 per cent of the recommended controls were implemented by landowners. In co-operation with PFRA, a Dryland Salinity Investigation Procedures Manual was initiated.

The dugout testing program expanded from 75 applications in 1986-87 to 195 in 1987-88.

Wind erosion in the winter and spring of 1987 affected an estimated two million acres in Alberta. Wind erosion control activities included the promotion of wind erosion monitoring and mapping by agricultural service boards and the promotion of practices such as reduced tillage and cover cropping especially on potato land.

Applied research remained a branch priority in 1987-88. Staff were involved in more than 45 research, development and demonstration projects throughout the province. Project topics included soil salinity control, moisture conservation, wind erosion control, peat soil development, alternatives to summerfallow, reduced tillage, legume plowdown, crop water use, irrigation water quality and soil moisture measurement.

The branch supported the interdepartmental study of on-farm water management. The water quality assessment in Verdigris and Etzikom Coulee areas continued and resulted in a water quality prediction model for lake systems. The branch also worked closely with a manufacturing firm to develop standardized precast concrete drop structures for low-cost gully erosion control. A pilot soil degradation survey was conducted in the County of Rocky View.

Land Use Branch

In 1987-88, the land use branch continued to provide leadership in the development and co-ordination of departmental and interdepartmental programs and policies involving both public and private land use planning, water resource management planning, land reclamation and general resource inventory.

The land use branch provided support to the provincial agricultural resource strategy, an interdepartmental study identifying agricultural soil and water conservation and development needs, requiring new or incremental funding over a 10 to 15-year period.

Land use branch staff were responsible for project management of the preliminary framework plan under the sub-basin water management planning program of Alberta Environment. This study will provide guidance to local governments on water management planning in the Peace River region.

Work was initiated in 1987-88 to identify marginal arable lands in the province.

The computerized soil inventory database for management and planning (SIDMAP) system, a joint effort of Alberta Agriculture and Agriculture Canada, continued in its fourth year to provide land resource data to clients in government, university and private industry. Additional data sources were utilized to enhance the branch's analytic capability in land and water resource evaluation. SIDMAP data was used in program planning and assessment, and resource allocation decisions both on a provincial and regional basis.

The branch continued to initiate and co-ordinate economic research related to land and water resource management and planning. Staff completed a preliminary report of on-farm risk associated with various levels of irrigation development.

Three land use planning projects were completed during the year: a rural land use monitoring program to assess the ongoing losses and gains of agricultural land in the province, a study of the impact on agriculture of small landholdings of between 20 and 80 acres, and a review of current general municipal plans and land use bylaws and their influence on agriculture in Alberta.

The land use branch continued to be involved in several integrated resource planning (IRP) projects including the Southern, Central, Northeast and Peace River Regional Plans; the East Peace, Grande Prairie-County West, Wandering River, and Cold Lake sub-regional plans; and the Poll Haven and Eden Valley local plans.

In 1987-88, branch staff were also involved in interdepartmental committee work related to water management planning, land evaluation, land reclamation, industrial development, agricultural development on native lands, and the North American Waterfowl Management Plan (NAWMP).

The following referrals were handled by the branch in 1987-88:

Pipelines	16
Electrical transmission lines	12
Environmental impact assessments	8
Annexations	21
Sanitary landfills	13

Plans were finalized for the April 1 merger of the land use branch and the resource economics section of the production and resource economics branch, into one branch known as the resource planning branch.

IRRIGATION SECRETARIAT

The legislative authority for the Irrigation Council and the Irrigation Secretariat is The Irrigation Act, which states in part, "There shall be an Irrigation Council consisting of not less than seven members appointed during pleasure by the Lieutenant Governor in Council", and that "There shall be an Irrigation Secretariat consisting of one or more employees of the Department of Agriculture designated by the Minister. The Irrigation Secretariat is responsible to the Council and shall carry out its functions and duties under the direction and supervision of the Council".

The objectives of the Irrigation Council are to effect a sound irrigation policy for the province and to act as an advisory body on irrigation to the Minister of Agriculture. Duties as outlined in The Irrigation Act include: approval of additions or deletions of land to or from irrigation districts; approval of borrowing and rate bylaws and budgets; and approval of any expenditure for monies received by an irrigation district under an agreement with the federal or provincial government or a local authority to finance the rehabilitation of its works.

In 1987-88, the Irrigation Council administered cost-sharing agreements with the 13 irrigation districts. Funds in the amount of $24,800,000 were provided from the AHSTF under the third year of a proposed five-year rehabilitation program. These funds represented 86 per cent of the aggregate, the remaining 14 per cent being provided by the districts.

The program continued to rehabilitate and modernize irrigation distribution systems in Alberta. The aims of the program were to assure irrigation users an efficient, adequate and reliable water supply, to allow for increases in irrigated acreage as water supplies permit, and to reduce or eliminate canal seepage. Effective water management and conservation of water and soil are prime objectives of the program. Activities undertaken through the rehabilitation program helped improve producer income and provide opportunities for family farm development in the irrigated areas, thereby benefiting the province's overall agricultural economy.

In addition to its involvement with the rehabilitation program, the Irrigation Council, in its role as the irrigation program committee for Farming for the Future, recommended seven project proposals for approval by the Agricultural Research Council for funding by Farming for the Future for 1988-89.

The Council also approved expenditures of $151,000 under the irrigation rehabilitation and expansion research program. These funds were used to support research projects on monitoring of solonetzic soils and a lysimeter study, the results of which will provide data for verification or modification of the Land Classification Standards. Funds were provided for a study to evaluate the effectiveness of the irrigation rehabilitation and expansion program. The report was generally positive and the recommendations to improve effectiveness were reviewed for implementation.

The Irrigation Council held 17 meetings, including one research meeting, four special meetings and a meeting with the Alberta Water Resources Commission to discuss water supply limits in the South Saskatchewan River Basin. Twelve of the 13 irrigation districts were toured and meetings were held with the respective boards of directors of the districts to discuss matters of mutual concern.

The Council also approved the net addition of 6,818 acres to the irrigation district assessment rolls. In addition, 44 project reports and addendums submitted under the irrigation rehabilitation cost-sharing agreement were approved for a total estimated construction value of $34,400,000.

SYSTEMS DEVELOPMENT DIVISION

Production and Operations Branch

The production and operations branch continued to provide computerized systems support to the dairy industry, soil and feed testing, land and water use, crop protection, shelterbelt distribution, beef cattle and sheep, livestock regulatory systems, financial information systems, special programs and other administrative systems.

In support of the departmental strategic management plan the 1988-89 automated information processing (AIP) strategic plan and the 88-89 automated information processing operational plan were produced.

Quality assurance for computerized systems was provided through the development of the AIP decentralization funding guidelines; the AIP software evaluation, registration and distribution guidelines; and AIP policies and standards.

User Support Branch

The user support branch provided services to department staff in the area of end user computing. These services ranged from technology evaluation through consultation, acquisition, development and training. The continued development of data communication networks to support information transfer was another major role of the unit. Computer application development and support of projects in the area of computerized statistical analysis and mapping were undertaken.

As a result of the division's role in filling staff needs, the development of standards and guidelines for the department, as well as the AIP stategic plan, was a key activity.

1987 - 1988
PRODUCTION

The production sector's primary goal is to promote economic production of crops, livestock and poultry through the use of husbandry practices which maximize efficiency and are consistent with conservation of our land and water resources. As part of its ongoing responsibilities, the sector undertook research, generated and disseminated production technology, provided services and promoted practices to assist Alberta farm families and processors to maximize their financial returns.

The sector is made up of three divisions — animal health, animal industry and plant industry — and a central program support unit which administered the Alberta farm income stability program, the national tripartite stabilization and the Alberta beekeepers disaster assistance program. The sector maintained a strong proactive approach to production and price stabilization issues facing Alberta's crop and livestock production industry. Crop diversification initiatives, integrated management systems for maximum economic yield and special assistance programs to beekeepers were undertaken. Amendments were made to The Dairy Industry Act and The Livestock and Livestock Products Act Regulations to, The Feeder Associations Guarantee Act, The Fur Farms Act and The Veterinary Profession Act were also amended.

Comprehensive laboratory service related to animal and plant diseases, pesticides, feed and soil analysis were maintained.

PLANT INDUSTRY DIVISION

In 1987-1988 plant industry division of Alberta Agriculture was comprised of five branches. The crop protection and soils branches were located in Edmonton, the tree nursery and horticulture centre in northeast Edmonton, field crops in Lacombe and the Alberta Special Crops and Horticultural Research Center in Brooks.

The division's main objective was to strengthen the competitive position of Alberta's crops-based industry through development and delivery of essential technology and information necessary to increase the long-term viability of primary producers and the overall agricultural industry. The division maintained a strong role in fostering and encouraging modern agricultural practices, identification and investigation of new research and technology, and diversification of the crop base in Alberta.

During 1987-88 initiatives in a multi-disciplinary approach to crop management called "Maximum Economic Yield" (MEY) was undertaken jointly by production and field services sectors resulting in applied research and demonstration projects across Alberta. A crop diversification initiative was developed involving all major sectors of the department.

The activities of all five branches were geared towards developing and delivering information related to the production, nutrition and protection of plants used for food and for aesthetic purposes in concert with the principles of environmental protection and resource conservation.

Crop Protection Branch

The crop protection branch continued efforts to enhance farm income and increase security of crop production by reducing losses caused by pests. The branch was responsible for prevention and control of losses caused by weeds, insects, plant diseases and problem wildlife. In addition, the branch administers the apiculture program of the department.

Major activities included administration of The Weed Control Act, The Agricultural Pests Act and The Bee Act. Efforts were focused on extension education, preparation and packaging of technological information for delivery to farmers and staff training.

Preventing major pests from establishing in Alberta was one of the most important responsibilities. Alberta was kept free of Norway rat, diffuse and spotted knapweed, Dutch elm disease, nodding thistle, varroa and other pests, through continuous vigilence and control efforts. Other pests were kept at very low levels through branch programs including rabies, bacterial ring rot and virulent blackleg of canola.

The urban and industrial weed control program ended after 15 years.

Research activities continued at four locations with field plots across most of the province. Research involved testing of control measures on various pests in a variety of crops with emphasis on developing techniques and products for improved crop management practices as well as for new crops. Measures included testing of pesticides, biological agents, and extensive surveys for weeds and insects.

The branch was active in producing publications. A new series of technical memorandums was initiated, in addition to several dozen formal publications ranging from pamphlets to major books and research reports. Crop protection co-ordinated a major paper outlining issues and needs related to Canada's regulatory system for pesticides, and participated in lengthy debates on the issue.

Insect pests, livestock predation, plant diseases and rabies were at normal or low levels. Weed problems increased due to weather conditions, and due to farmers reluctance or inability to conduct control measures because of their financial situation.

Honey production amounted to 11.6 million kilograms from 207,600 colonies. The industry faced a major crisis when importation of bees was prohibited by federal order. This action was taken to prevent the accidental importation of the bee parasite, varroa. Since much of the Alberta bee industry relied on the annual importation of nucleus colonies this was a major blow.

A beekeeper assistance program of $10 per hive was initiated in the spring of 1988.

Soils Branch

Technology transfer, applied research and diagnostic activities were provided to department staff and directly to producers. More efficient crop production information on problem soils and use of inputs, such as fertilizer, continued in high demand as farmers coped with narrow cost-return margins.

Field research was conducted to refine general and soil test recommendations throughout Alberta using fertilizer, lime, gypsum and tillage treatments on a wide range of normal and problem soils.

The agricultural lime freight assistance program (ALFA) provided grants to farmers in the amount of $110,017 to 39 applicants for transporting 4,624 tonnes of lime or marl.

The farm fertilizer price protection plan provided grants to farmers to reduce the cost of crop production inputs. During the 12 months ending March 31, 1988, $17.4 million was paid on 791,415 tonnes of fertilizer. The program was extended to July 31, 1988.

Field Crops Branch

Continued lower net returns from crop production placed heavy demands on specialist staff attending producer meetings.

New publications produced in 1987 were *Fall Rye Production Manual* and *Range Pastures in Alberta.*

The 77 municipal co-operative seed cleaning plants processed 30 million bushels of cereals and oilseeds.

Fifty-seven municipal co-op seed plants received provincial grants totalling $512,743 for the purpose of upgrading.

Alberta had 230,200 acres of pedigreed seed produced by 1,085 seed growers.

Four test sites were established in central Alberta to conduct agronomic research on special crops.

Ten forage associations continued to increase public awareness of improved forage production. The branch issued them grants totalling $314,000 to conduct a wide range of forage management initiatives.

The research section registered a new two-row feed barley, TR607.

Contractual arrangements continued for winter nursery plots in California and Oregon to permit the growing of two crops per year.

There was an unusually high demand for information on special crops. The acreage increased to 400,000 acres of 10 crops.

The branch placed $23,157.50 into general revenue from royalties on seed sold and approximately $22,478.64 in seed sales for 1987-88. These funds were generated from the feed grain breeding program.

The seed technology school continued to draw active interest from producers and industry.

Substantial changes to The Federal Seeds Act were introduced July 1, 1987 and efforts were made to have seed processed for sale in 1987 conform to the new regulations. Many producer and industry meetings were held to acquaint them with the new grade standards.

Alberta Special Crops and Horticultural Research Center

The Alberta Special Crops and Horticultural Research Center (ASCHRC) was involved in province-wide extension and research activities relating to all areas of horticulture and specialty crops. Co-operative research projects were conducted in collaboration with personnel from Agriculture Canada, the University of Alberta and the Alberta Environmental Centre, Vegreville.

Two organizational changes affected ASCHRC operations in 1987-88. A soil and water program was established as a result of the transfer of staff and resources from the irrigation and conservation division. The seed potato program located at Olds and the regional crops laboratory were transferred to the Alberta tree nursery and horticulture centre and the crop protection branch respectively.

Cultural studies were conducted to evaluate the effect of plant populations on yield and maturity of several vegetables. Fall seeding of several vegetable crops was evaluated with encouraging results for crops such as carrots and spinach.

Special efforts were made to introduce new cultivars of potatoes to the commercial industry in a more direct manner. A number of cultural or production trials designed to improve

technology for potato producers were conducted.

Several varieties of day neutral strawberries were introduced to Alberta producers. A Saskatoon berry survey was completed.

The protected crops program gradually shifted more to cut flower production. Pest management in commercial greenhouses received a high priority.

Extension activities complemented industry development projects with commodity field days, production short courses and the preparation of commodity production manuals. Staff worked closely with grower organizations such as the Alberta Potato Commission, Pulse Growers Association and the Fruit Growers Association. Membership and active involvement in commodity advisory committees, Agriculture Canada expert committees and industry-based committees facilitated the dissemination of applied research information.

Alberta Tree Nursery and Horticulture Centre

The objectives of the tree nursery were to assist in the diversification of primary production, by assisting producers to increase the product lines in greenhouses, field horticulture and ornamental crop production, and the development and adoption of new crops and technology.

The Alberta Tree Nursery and Horticulture Centre mandate included the production and distribution of trees and shrubs to protect and enhance farmsteads and fields, the dissemination of production and protection information for both the commercial and non-commercial horticulture sectors throughout Alberta, and the development of a range of technologies applicable to commercial crop production.

Along with the 2.2 million shelterbelt plants provided by the tree nursery to farmers, there were 32,194 seedlings given to Grade one students in Alberta. The centre provided 12,314 containerized native plants to reforest Alberta's provincial parks.

Twenty-four horticultural courses were offered throughout Alberta, and staff spoke at the Farm Women's Conference, Women's Institute meetings and to horticulture societies. Staff also published *Alberta Horticulturist* and *Horticultural Extension Notes*.

The demand for horticultural information was apparent in the 6,415 telephone inquiries and 134 office visits made to the tree nursery by horticulturists.

A further 4,278 used the "Hortline". Inquiries resulted in 59,981 publications being distributed. These programs continued to benefit from strong direct contact with the industry that services that domestic market requirement.

Information was provided through *Produce Notes*, personal contact, telephone, office visits and farm visits, as well as presenting seminars and courses to new and established growers.

ANIMAL INDUSTRY DIVISION

The animal industry division was made up of seven branches: beef cattle and sheep branch, dairy production, dairy processing, horse industry, pork industry, poultry and regulatory services and feeder associations.

The activities of the division comprised extending technical information to producers and agribusiness involved in the production and marketing of meat and dairy producing animals and poultry. The division administered a number of acts and regulations involved in livestock and dairy production. This legislation was amended as necessary to conform with industry requirements.

The division also administered the Alberta Crow benefit offset program which has the objective of offsetting the distortion in feed grain prices in Alberta created by the payment of the federal Crow benefit to the railroads.

The division contributed considerable support and resources to the national tripartite red meat stabilization program administered under central program support.

Beef Cattle and Sheep Branch

The beef cattle and sheep branch focused on the extension of technology and the provision of production, marketing and financial information to the public. The branch was involved in research and demonstration projects to solve a variety of problems limiting animal production.

In addition, the branch played an important role in the development of safety net programs to meet the needs of livestock producers. In particular, the branch committed considerable resources to make further refinements to the national tripartite red meat stabilization program and to conduct a review and make recommendations for refinements to the forage insurance program. The report on forage insurance was presented to the Alberta hail and crop insurance board. Most of the recommendations, including coverage over the entire province, were implemented for 1988.

The branch continued its activities in animal reproduction, breeding, nutrition and management. It also continued with record of performance (ROP) programs for beef and sheep, the private bull test stations, the sheep test station, the warble control program, the artificial insemination (AI) data program and the research and development program. The administration of the livestock predator and beeyard indemnity programs was assumed by the branch.

Branch staff participated in extension meetings, farm visits, media presentation, field days and responded directly to many other requests for service. These activities continued to represent the major individual time commitment by branch staff. The major individual project during the year was the development of the beef herd management reference binder and study guide. Over 2,000 copies of this binder were sold in the first five months after it was available.

The branch was responsible for the administration of The Artificial Insemination of Domestic Animals Act. During 1987, four semen-producing businesses, 47 inseminating businesses, 107 artificial inseminating technicians and 16 semen-producing technicians were licensed. Work began on revisions to the regulations under this act.

The semen evaluation laboratory handled 727 samples of semen from various species.

The A.I. data program introduced in 1980 continued, with a grant of $1 being paid for each insemination reported by licensed inseminating businesses. A total of $22,655 was paid for inseminations that occurred during the year.

The branch continued to provide municipalities with technicians under the beef ROP weight supervision program. Under this program about 27,000 head of cattle on about 480 farms in 17 districts were weighed at a cost to the department of just less than $30,000.

Funding of the Alberta Beef Cattle Test Station at Ellerslie was discontinued after an involvement of nearly two decades.

Strong interest continued in private bull test stations. Thirty-nine private groups conducted central bull test station programs in 1987-88. This included a new test station at the Fairview College, which received $15,000 from the Horned Cattle Trust Fund to assist with construction costs. Approximately 4,050 bulls were evaluated. All stations received assistance from department staff, ranging from weight supervision to general publicity to the calculation and distribution of results.

Sixty-six flocks of purebred sheep with 3,509 lambs were enrolled in the federal-provincial ROP home test program. As with beef, responsibility for the processing of records was transferred from the federal government in late October.

The Alberta sheep ROP test station completed its 13th year of operation in 1986. Twenty-four breeders entered 164 rams in the 56-day growth test conducted at Olds College campus. An additional 13 rams were entered in the wool breeds test and a further 22 lambs were tested for performance under irrigated pasture conditions at the Hays pasture in southern Alberta.

The department continued to share 60 per cent of the warble control program's costs with local governments. One and one-half per cent of beef carcasses at co-operating packing plants were found to be infected with warble grubs in the February to May period compared to one per cent in 1986, five per cent in 1983, 14 per cent in 1980 and 44 per cent in 1968.

The branch continued responsibility for the black fly abatement program. Activities included one application of larvicide, testing and demonstration of new pesticides and methods of application to cattle and monitoring of adult black fly activity. Alberta Environment did not approve application of a second treatment with methoxychlor in 1987. BTH-14 was considered as an alternative but was not used due to high costs and relatively low black fly larva counts.

Agricultural service boards received grants totalling $43,491 to cover 60 per cent of the costs of programs they undertook to promote improved livestock production practices in their districts. A number of the projects undertaken to support the beef herd management program were funded through this program.

The livestock fair assistance program, which provided assistance to Alberta exhibitors with grants to travel to shows outside of the province, was discontinued at the beginning of the 1987-88 year.

The nutrition section of the branch continued to provide nutrition and feeding management information, diagnosed the causes of nutrition related problems and recommended improvements to feeding programs to producers, veterinarians and the feed industry. The section also provided support services to department staff.

The ration advisory service and feed testing program continued to provide feeding and management information directly to producers and agribusiness. In 1987-88, a total of 12,864 feed and plant samples were analysed at the agricultural soils and animal nutrition laboratory (ASAANL), compared with 13,871 in 1986-87. Of this total, 20 per cent were regular producer samples, 25 per cent were diagnostic (demonstration) samples submitted by department staff and 55 per cent were research samples. The number of requests for detailed ration recommendations for samples submitted to ASAANL was 103 compared with 233 in 1986-87.

Interest in game ranching remained high. During the year, the number of game farms licensed by Alberta Forestry, Lands and Wildlife increased from 55 to 70. The branch continued to provide extension services to individuals interested in the game farming industry.

The livestock predator indemnity program paid compensation totalling $232,265 to producers for loss of domestic livestock resulting from predator attacks in the 1987 calendar year. The beeyard program paid compensation of $5,146 to bee producers for bear attacks in the 1987 calendar year.

The branch was involved in more than 35 research and demonstration projects. In addition, staff provided statistical analyses and experimental design assistance for 10 projects outside of the branch. A complete listing of these projects is in the animal industry division annual report.

Dairy Production Branch

Dairy production branch activities and services focused on increasing the long-term profitability of Alberta dairy producers. Activities included dairy farm inspection, data processing of milk recording information and support for extension, advisory and research functions relating to the dairy industry.

Producer numbers in Alberta declined by about three per cent to 1,502 as of March 31, 1988. Upgrading of producer premises and milk quality was required by the industry for milk transportation purposes. All but seven Alberta producers, who ship industrial milk to one cheese plant, met the necessary standards for certification.

The branch co-operated with the Dairy Control Board in providing advisory services necessary to permit a final group of 175 producers to participate in the graduated entry program. Since 1974 a total of 1,105 Alberta dairymen obtained fluid milk quota, at no cost, through the graduated entry program.

All field services and fees associated with the Alberta Dairy Herd Improvement (DHI) and federal Record of Performance (ROP) programs were administered by Alberta Dairy Herd Improvement Services (ADHIS). Fees for milk recording remained at $5.50 per cow per year for an owner-sampler and $19 per cow per year for supervised service. The cost of individual cow somatic cell count data remained unchanged at $2 per cow per year.

As of December 31, 1987, 129 herds were enrolled on the supervised DHI option. At an average herd size of 74 cows, this totalled 9,574 cows. An additional 119 herds comprised of 8,000 cows were enrolled on the federal ROP program. The owner-sampler DHI option was subscribed to by 644 dairymen who enrolled 40,857 cows for an average of 63 cows per herd.

The somatic cell counting service continued to be very popular with 675 herds and 43,500 cows enrolled.

During the year system support functions were transferred from Alberta Public Works Supply and Services to ADHIS. Changes were made to the agreement between Alberta Agriculture and ADHIS to accommodate the privatization of data processing responsibilities. This transfer was to be effective April 1,

1988. A grant was provided to ADHIS to underwrite a major portion of the cost of this program.

Branch and regional staff provided extension services relating to the dairy herd improvement program with workshops held in all regions. These workshops provided an opportunity for producers to discuss their records and other milk recording issues with experienced staff. Factsheets were also prepared covering the benefits and interpretation of milk recording information.

A milk metering project was completed in co-operation with Alpha Milk Company, Red Deer. The truck-mounted milk meter completed 1,055 milk pickups, averaging 6.5 litres less than the dipstick measurements. While the accuracy of the milk meter was verified before and after the project, capital cost, maintenance and functional issues need to be resolved.

A $50 user fee was implemented July 1, 1987 for milking equipment evaluations, excluding new installations checked for proper function.

A research project was supported at the University of Alberta concerning the potential impact of a multiple component pricing system for milk. Assistance was provided to a research project on new mastitis control technology at the Agriculture Canada Research Station, Lethbridge. The branch co-operated with the University of Lethbridge in a study on the probable effect of bovine somatatropin use in the Alberta dairy industry.

A wide range of regional dairy programs and seminars were held with co-operation between the dairy production branch and field services regional staff. A very successful dairy forage series was held with over 400 people attending at the three sites of Lethbridge, Olds and Nisku. Other programs included condition scoring, raising replacements, reproduction and quota management. The programs were supplemented by factsheets on these and other dairy production topics.

The monthly newsletter, *Alberta Dairy Producer*, continued to be a primary source of information on production, marketing and research for the industry. A film titled, *The Story of Milk*, was completed for use in schools and public displays.

The Annual Alberta Dairy Seminar was a success, although attendance was down from previous years.

The community of Leduc and area producers were supported by Alberta Agriculture staff in staging the first annual Alberta Dairy Congress. This dairy trade and technology event was highly successful, attracting many exhibitors and over 1,500 people.

Farm inspections totalled 3,304 and another 1,819 advisory calls were conducted. A total of 36,743 milk samples were analysed to monitor milk quality. Only 3.8 per cent of these exceeded the bacteriological quality standard for raw milk.

One hundred and twenty five producers received an award of excellence at the Alberta Dairymen's Association Annual meeting. This award was established to recognize high sanitary standards in milk production.

The number of violations under the milk grade and price program continued to decrease from 248 last year to 185.

Dairy Processing Branch

To increase the long-term profitability of agricultural processors, dairy processing specialists inspected each dairy manufacturing plant regularly, collected samples for laboratory analysis and submitted the results to the branch, the respective plants and health officials.

Unsatisfactory reports were followed up by special inspections and detailed discussions with plant personnel.

Virtually all fresh processed milk from plants in Alberta complied with the standards, and 78.0 per cent of products sampled at processing plants met acceptable standards under "stress" testing.

Annual plant inspections were conducted jointly by provincial and federal inspectors. Alberta's provincial rating remained the highest in Canada. The branch represented provincial and federal interests in the four western provinces on a national committee to review and, where necessary, revise the dairy plant inspection guidelines used throughout Canada. This was the first major review and updating of this program since its inception in 1971.

The certification of dairy plant employees in Alberta continued at a high level.

Analyses of bulk milk received at Alberta dairy plants were conducted to prevent milk containing inhibitors from entering the system.

Bulk milk grader training and surveillance were maintained. A film for the training of bulk milk graders was completed during the year in collaboration with the Alberta Milk Haulers' Association.

Dairy manufacturing plant licenses issued in 1987 totalled 37.

Three new dairy manufacturing plants commenced operation during the year. Two others ceased operation. Construction commenced on one plant and two others started major expansion.

The inspection program for milk pasteurization units continued in 1987. Most units were in the process of being upgraded.

A manual for pasteurizer operators was written and printed. It will be used as a reference for pasteurizer operators and as a training tool in the instruction for licensing of future operators.

Emphasis continued on cultured dairy products with the objective of improving quality. Attention was also given to processing methods and equipment.

Several collaborative studies commenced with the industry and the Food Processing Development Centre.

Horse Industry Branch

The horse industry branch provided educational services and programs to horse owners and breeders in Alberta with the purpose of enhancing production methods, markets, safety procedures and horsemanship skills.

Although branch programs were directed towards increasing the long-term profitability of horse breeders and fostering self-reliant breed organizations, educational services were available to breeders as well as those members of the general public who use horses for sport and recreational purposes.

In co-operation with a committee of representatives from participating breed organizations, the branch conducted the Alberta Horse Breeders and Owners Conference in which 225 people registered.

The branch provided staff or financial assistance for approximately 60 educational programs throughout the province. Staff offered extension services to horse owners through office visits, farm calls, correspondence, telephone calls, technical bulletins and articles published in horse magazines.

During the horse improvement program, the production and performance potential of over 650 horses from 14 different breeds were evaluated. In addition, lists of leading sires, dams and breeders were widely publicized.

The branch co-ordinated a project to display and demonstrate the various breeds to an international audience during Equi-Fair.

The branch assisted marketing staff and breed organizations in developing projects to promote and market horses locally as well as in the United States and Europe.

In co-operation with Olds College, the branch conducted potential fertility examinations on 11 stallions.

Support was continued for equine research at the Western College of Veterinary Medicine in Saskatoon.

The branch continued to offer provincial horse organizations a drug testing service at major horse shows. Three hundred and fifteen horses were tested over 28 days.

Pork Industry Branch

The pork industry branch provided producers with information on pork production technology, hog marketing, financial management, swine record keeping and use of computers for record analysis and planning. Assistance provided included a comprehensive program for genetic improvement, a computerized recording system for productivity monitoring, the sale of swine semen, training in the use of swine artificial insemination, a swine production home study course, Pork Production Handbook looseleaf information, as well as several seminars and courses relative to the production of pigs and pork.

The information and programs provided were co-ordinated and delivered by branch staff, four regional swine specialists and by other extension staff. The Pork Production Handbook, consisting of about 76 factsheets on the technology of pork production, was written and produced by department resource staff, including branch staff and regional specialists. There were over 1,800 subscribers. Branch staff and regional specialists also provided a research review column and a column on swine nutrition in the quarterly *Western Hog Journal.*

The 13th annual Pork Congress was supported with an operating grant; over 3,500 persons attended the three-day event.

Branch staff and regional swine specialists helped plan and resource the 19th annual Alberta Pork Seminar in Banff, and funded part of the costs. Regional swine specialists organized and resourced regional seminars.

In response to requests for aid in record keeping, analysing and planning needs for today's larger swine operations, staff and regional specialists designed and distributed computer spreadsheets for analysis of cash flow projections, credit need, farm records and feed rations.

The Alberta Swine Breeding Centre at Leduc, produced and sold both fresh and frozen swine semen for domestic and export markets. The amount of semen sold continued to increase.

Research continued on the best methods of semen preparation, storage and use. A new catheter was developed and will be produced in Alberta. Seminars to instruct producers in the use of swine AI were held around the province.

Swine breeders were provided with technical service and advice in breeding stock selection and management through the swine improvement program. Information was made available through publications, seminars, extension activities and field days. The swine improvement program also provided a nationally supervised program to record reproductive performance. A farm record system for keeping physical production records was also distributed by the pork industry branch.

Poultry Branch

The poultry branch developed and administered regulations, policies and programs relative to the industry under The Livestock and Livestock Products Act.

Extension programs and direct producer contacts aimed at increasing the level of knowledge of the poultry industry in the areas of production and marketing were carried out by the branch's regional specialists. Branch staff continued to work with all sectors of the industry including a wide range of producers representing large commercial farms, small farm flocks and acreage holders with only a few birds. An increased interest in waterfowl and game bird production was experienced as producers searched for alternate markets to traditional commodities.

The branch continued to monitor disease levels and improve sanitation and management practices in the poultry industry through the provision of a series of health programs aimed at both hatcheries and breeder flocks. The branch continued to register and approve chicken and turkey breeder flocks under the Hatchery Supply Flock Approval Regulation. There were 121 chicken breeder flocks and seven turkey breeder flocks approved during 1987. Programs were designed to increase agricultural production by reducing the number and kinds of disease-producing organisms in poultry, especially salmonella, because of its public health significance.

The department assisted the University of Alberta research institute by serving on the poultry research committee. The department provided a grant of $185,000 for applied research to be conducted at the University of Alberta poultry unit. Branch staff were also involved in a number of on-farm demonstrations and research projects related to poultry production conducted under the auspices of the Farming for the Future program.

The branch continued to develop and monitor cost of production models for shell eggs, broiler chickens, turkeys and broiler breeders. These models were continually updated to respond to requests in the financial area of poultry production.

Under The Livestock and Livestock Products Act, the branch was responsible for the licensing and bonding of hatcheries, and poultry and egg processors. There were 195 licenses issued in 1987 to establishments operating in Alberta. The branch was also responsible for the administration of the regulations under the act ensuring grade standards for poultry and egg products sold to Alberta consumers.

The branch mailed out 147 rabbit extension information packages.

Branch staff assisted in the planning and conducting of the poultry industry conference and poultry serviceman's workshop. Staff also participated in various seminars and courses related to the poultry industry, as well as attended industry meetings including the annual meetings of the egg marketing board, chicken marketing board, turkey marketing board and hatching egg marketing board.

Regulatory Services and Feeder Associations Branch

The main role of the regulatory services and feeder associations branch was the administration of certain acts and their regulations. The acts and regulations were designed to protect livestock producers by providing the following:

- brand registration
- brand inspection service
- licensing and bonding of livestock dealers and agents
- licensing of stockyards and stockyard operators
- protection of lands and agricultural products from livestock running at large
- investigations of fraudulent trade practices concerning livestock
- a means whereby members of feeder associations may acquire livestock for feeding and/or finishing.

SUMMARY OF FEEDER ASSOCIATION OPERATIONS
1983 - 1987

Feeding Season	No. of Assn.	Cattle	Sheep	Amount of Credit
1982 - 83	33	75,917	5,895	32,585,619
1983 - 84	37	91,497	4,517	39,626,822
1984 - 85	36	98,287	5,255	43,599,556
1985 - 86	38	135,352	3,903	64,278,781
1986 - 87	48	188,453	5,223	105,511,243

The feeder association section of the branch administered The Feeder Associations Guarantee Act which enabled members of feeder associations to acquire livestock for feeding and/or finishing. During the year, 48 feeder associations operated under the act and used $105,511,244 worth of credit, at a preferred rate of interest, to purchase 188,453 cattle and 5,223 sheep. The amount outstanding as of August 31, 1987 was $48,737,257.

In the summer of 1987, the administrative responsibilities of the feeder association program were transferred from the regulatory services and feeder associations branch to the horse industry branch.

Under The Stray Animals Act, 772 head of livestock were impounded during the year. Six hundred and thirty-one head were returned to the rightful owners after they paid the costs of capture, transportation and maintenance. The balance, 141 head, were sold by public auction.

A total of 54 livestock auction markets and 52 livestock assembly stations were in operation at year end.

There were 961 livestock dealers and agents licensed during 1987 compared with 930 in 1986. Eight claims were received against two livestock dealers' bonds during the year.

The number of head of cattle and horses inspected through markets and on export was 3,173,565, an increase of 174,155 head from 1986.

Six branding demonstrations were conducted and well attended.

Alberta Crow Benefit Offset Program

The Alberta Crow benefit offset program (ACBOP) was initiated on July 1, 1987, replacing the Alberta feed grain market adjustment program (AFGMAP). The purpose of the two programs was identical: to offset the distortion in feed grain prices created by the present federal Crow benefit payment to the railroads. The actual distortion in feed grain prices was estimated at $18 per tonne. Payments under the AFGMAP and ACBOP from April 1, 1987 to June 30, 1987 were $21 per tonne, and payment under the ACBOF from July 1, 1987 to March 31, 1988 were $13 per tonne.

In addition to the changes in name and in payment per tonne, the claim procedures for home grown grain were simplified.

Registrations and Payments During the 1987-88 Fiscal Year

A. **Feed Grain Users**
A total of 26,155 feed users were registered on the program as of March 31, 1988. This was a net increase of 1,040 from the previous year.

B. **Feed Grain Merchants**
Twenty merchants registered on the program during the 1987-88 fiscal year. This brought the total number of merchants registered on the program since its inception to March 31, 1988 to 280.

C. **Grant Payments**
Grant payments from April 1, 1987 to March 31, 1988 totalled $68,933,426.08 plus accrued liabilities. The estimated total payout of grant funds was $70,900,756.60.

Total grant payments from September 1, 1985 to March 31, 1988 were $175,060,855.08 (excluding accrued liabilities to March 31, 1988).

The majority of registrants received $1,000 or less during the 1987-88 fiscal year. A total of 7,111 registrants received no benefit during this fiscal year.

The claims processed in the 1987-88 fiscal year were comprised of 24,697 AFGMAP and 2,157 ACBOP claims.

Registration, Inspections and Payments During the 1987-88 Fiscal Year.

	1987-88 Fiscal year	Total Sept. 1/85 to Mar. 31/88
Feed users registered	1,040	26,155
Feed grain merchants registered	25	280
Number of farm inspections	2,428	9,431
Payments		
Certificate option	33,948,946	106,927,689
Farm fed option	34,984,480	65,489,521
Total	68,933,426	172,417,210

ANIMAL HEALTH DIVISION

The animal health division was organized into five branches to provide services throughout Alberta. The pathology branch operated laboratories at Edmonton, Lethbridge, Airdrie and Fairview. The reference laboratories branch was entirely located in Edmonton. The health management branch provided field services and programs from Edmonton and Airdrie. The meat hygiene branch was headquartered in Edmonton and maintained a regional supervisor in all six regions of Alberta. The goals of the division in 1987-88 were to enhance the profitability of livestock producers and associated agricultural businesses, to help protect animal and human health and well-being.

Food animal production was supported by the identification of diseases, the reduction of loss and wastage through inappropriate management and through research support which included a grant of $100,000 to the Veterinary Infectious Diseases Organization, Saskatoon, Saskatchewan, and assisting with laboratory animal research and disease diagnosis. A complete range of modern and up-to-date laboratory diagnostic services, disease investigations on farms, provision of livestock health programs, consultations on disease prevention, the maintenance and operation of six veterinary clinics in northern Alberta, and the transfer of information on diseases of animals and their management assisted with this purpose.

Protection of animal and human health was achieved by the operation of programs for the inspection of livestock and meat and meat products, programs to prevent the spread of designated diseases and livestock medicine outlet inspections. A grant was provided to the Alberta Society for the Prevention of Cruelty to Animals to assist with the employment of special constables to investigate complaints of cruelty, distress or neglect of animals. A complete review of The Animal Protection Act was undertaken. Other legislation assigned to the division included The Livestock Diseases Act, The Meat Inspection Act, The Fur Farms Act and The Veterinary Profession Act. During the year amendments were enacted for the regulations under The Veterinary Profession Act, The Fur Farm Act and The Livestock Diseases Act.

The summer veterinary work experience program provided employment for 27 Alberta veterinary students in 1987 on a cost-shared basis. Students were provided with valuable hands-on experience and insight into the operation of a veterinary practice. Funds expended on the program were $43,600. Sixteen students were employed in smaller urban and rural areas in Alberta. The program was well received by both students and employers and there was a strong indication of its importance and the desire for its continuation.

Reference Laboratories Branch

Laboratory support services for the diagnosis of animal diseases, for disease research and for disease surveillance were the major responsibilities of the branch. Laboratory personnel provided analytical and testing services in the specialized disciplines of bacteriology, virology-serology, toxicology and electron microscopy-histology to identify a wide range of disease-causing organisms, toxins and nutritional deficiencies. These services were provided to Alberta livestock producers and their veterinarians, to divisional veterinarians, other institutions and to the rural and urban public.

Branch veterinarians and staff provided specialized consultation and field investigation services to help minimize the inefficiencies caused by animal diseases.

Numerous toxicoses and nutritional production problems were investigated by the toxicology section. A major initiative was additives that can result in toxicity when used inappropriately or inaccurately in animal feeds. The most common toxicity encountered in farm animals was the accidental consumption of seed treated with carbofuran and lindane insecticides. New analytical techniques for vitamin E revealed that a significant percentage of Alberta livestock may have low levels or be deficient in this vitamin.

The bacteriology laboratory staff continued to provide extensive services for the detection of organisms which cause diseases of livestock.

The electron microscopy service was extended to incorporate a new investigative approach to calf scour problems experienced by many cow-calf producers. New histological techniques for identifying pneumonia-causing agents in cattle were also developed.

Virology section staff developed the capability to differentiate viral strains to help identify those animals which are carriers of Bovine Virus Diarrhea virus (BVDV). The provincial mosquito survey in 1987 was discontinued because of the low

potential for mosquito-transmitted Western Equine Encephalitis (WEE). There were no isolates of the WEE virus in 1986 or 87. Branch staff, in co-operation with Fish and Wildlife staff, diagnosed a significant viral disease in provincial wild fish stocks necessitating eradication of some provincial hatchery stocks.

A co-operative project to assess the efficacy of a serology test to detect a major cause of bacterial pneumonia in Alberta swine production units was successfully completed. A serological test to detect maternal colostral antibody transfer in calves was implemented.

Health Management Branch

The major responsibilities of the branch were the prevention and control of disease in livestock herds, the administration of legislated animal health programs, safeguarding human health by control of designated diseases and enforcement of the regulations for the sale of livestock medicines. Methods to improve production and disease prevention were emphasized to both livestock producers and veterinarians in Alberta. Veterinarians in private practice were employed to conduct auction market inspections, community pasture inspections, preconditioning program visits and visits to herds enrolled on the swine herd health program. Veterinary practitioners also participated in extension activities and were occasionally asked to conduct disease investigations.

Province-wide surveillance of livestock disease was maintained by monitoring findings of various laboratories as well as information derived from field programs and branch activities regarding the Designated Communicable Disease Regulation. Of particular concern to the branch was a dramatic increase in the number of cases of salmonellosis in cattle, specifically Salmonella dublin. All of these cases were investigated by the branch and the producers were informed of the necessary means to control the disease. A project to monitor Salmonellosis in baby calves passing through auction markets was implemented and fortunately the disease was found not to be widespread.

Extension activities remained an important role of the branch. The animal health division newsletter continued to be published monthly. Articles were written for trade journals and several factsheets were revised. A complete review of the slide kit and film library was undertaken and technical assistance provided during the production of a film on calving management. The branch library of scientific literature was expanded.

Disease problems on 34 farms were thoroughly investigated by members of the branch. Generally, these were at the request of the practicing veterinarian, although six were carried out on premises in which Salmonella dublin infection had been diagnosed. The majority of the disease investigations conducted were related to either dairy or beef cattle with a small number involving swine.

Enrolment on the swine herd health program remained at the same level as in the previous year.

All livestock offered for sale at auction markets or entering community pastures, within the province, were inspected by practicing veterinarians appointed by the department. Both the number of animals inspected at auction markets and the number of sales inspected, increased this year, although the disease detection rate remained at the same level as in previous years. Practicing veterinarians continued to provide the service necessary to maintain animal health during the grazing season at community pastures. A major pneumonia problem caused by bovine respiratory syncytial virus, developed on a pasture in northern Alberta resulting in 22 deaths and approximately $20,000 in treatment costs. All three community pastures which accept sheep, remained free of infectious ovine foot rot.

The number of licensed livestock medicine outlets remained unchanged. Inspection of these outlets was conducted solely by veterinarians in the branch for the first time. The regulations underwent a major review and a new regulation was proposed.

The veterinary practices operating out of the six provincially-owned veterinary clinics in western and northern Alberta continued to provide a full range of veterinary services. The practices at Edson, High Prairie and Fairview remained strong and viable, whereas those at Valleyview, Manning and Fort Vermilion required additional income support to maintain the veterinarian.

An increased number of animals were certified under the Alberta certified preconditioned feeder program this year. A complete review of the preconditioning program was initiated.

The bovine respiratory disease project was completed. This project was funded by Farming for the Future and was conducted jointly by Alberta Agriculture and the Veterinary Infectious Diseases Organization in Saskatoon. Its purpose was to attempt to determine the risk factors associated with respiratory disease in feedlot cattle in Alberta.

A project was commenced with the objective of determining the survivability of baby calves sold through auction markets for 60 days post-sale.

Administration of The Fur Farm Act and Regulations continued to address the needs of a rapidly growing industry.

Meat Hygiene Branch

The meat hygiene branch was responsible for the administration of The Meat Inspection Act and Regulations including the delivery of the meat inspection service to abattoirs and investigation of alleged violations.

Inspection service was provided to 76 red meat plants and 92 poultry plants including 83 operated by Hutterite colonies. Livestock inspected during the year included 36,116 cattle, 110,555 hogs, 5,629 sheep, 969 goats, 7,679 rabbits, 62 buffalo, 2,431,680 broilers, 213,727 fowl, and 115,979 turkeys, ducks, geese and pheasants.

Cattle slaughter decreased marginally from the previous year but hog and poultry slaughter showed a marked increase. Other classes of livestock were relatively stable. Carcass condemnations for the year were approximately 1.2 per cent for cattle; 0.9 per cent for hogs; 0.36 per cent for sheep; 2.2 per cent for goats, and 2 per cent for poultry. Mobile butchers reported slaughter of 2,104 cattle, 267 hogs, 19 sheep, 16 goats and one buffalo.

Enforcement activities continued during the year and approximately 75 possible violations were investigated.

Assistance was provided to the Alberta Meat Processors Association for the development of an apprenticeship program for butchers.

Pathology Branch

The pathology branch was responsible for the provision of diagnostic pathology services to livestock producers and animal owners throughout the province. This service assisted animal owners and their veterinarians in establishing the cause of death and production losses in the animals under their care. In addition to providing laboratory diagnostic services, the branch served as a consulting and referral agency on matters of animal disease and its prevention and provided an applied research and investigation program. Clientele of the branch included livestock owners, the veterinary profession, fish and wildlife agencies, zoos, the universities, private research agencies and game farms.

The total submissions at provincial laboratories for the year were as follows: Edmonton - 10,150, Fairview - 1,306, Lethbridge - 2,463, and Airdrie -3,180.

The most significant change in the diagnostic program during the year was the introduction of user fees for all submissions as of October 1, 1987. This change was well received by clientele with few complaints.

A consultation program was continued in all laboratories. Changes during 1987 in this program were minimal. Staff at the Fairview laboratory conducted more extension and disease investigations in the Peace River area. As part of the consultation program the preparedness of the branch in responding to various emergencies was assessed. The branch participated in developing a plan for government response to a category 2 sour gas well emission. Staff of the Fairview and Airdrie laboratories continued to be involved with the instruction of animal health technicians from Fairview College and Olds College respectively.

The research and field investigation program of the branch continued, and involved professional staff in studies of losses in production animals. Particularly prominent were the ongoing studies of losses due to parasitism in this province. A number of studies were undertaken in co-operation with the fish and wildlife division and also in support of the provincial fur farming industry. Support was also provided for research projects at the Universities of Alberta and Calgary.

CENTRAL PROGRAM SUPPORT

Central program support was established April 1, 1987 as the administrative body responsible for implementation, delivery and administration of long-term agricultural stabilization programs. The administrative components of the Alberta farm credit stability program and the national red meat stabilization program were initially combined into this administrative unit. Since its inception, a feeder cattle plan was implemented in the red meat program and stabilization agreements came into effect for sugar beets and dry edible beans. In February, 1988, centralized program support was assigned the administration of the Alberta beekeepers disaster assistance program.

During the 1987-88 fiscal year, central program support was restructured to comprise four primary sections: Alberta farm credit stability program; red meat stabilization; specialty crops stabilization; and centralized office administration. This structure allows for the accommodation of additional tripartite stabilization programs and provincial support programs as may be implemented from time to time.

The primary responsibilities of central program support were to confirm producer eligibility, process producer applications and enrolments, develop and maintain program database systems, and co-ordinate the collection of producer premiums and matching provincial premiums under national tripartite stabilization agreements. Technical support is provided to producers and financial institutions concerning producer eligibility and security matters related to the Alberta farm credit stability program.

Alberta Farm Credit Stability Program

The $2 billion Alberta farm credit stability program was implemented on August 6, 1986 with the primary purpose of stabilizing the cost of credit to Alberta farmers. The program allows Alberta farm families to refinance farm-related debt that existed on August 5, 1986 as well as borrow money for acquisitions and improvements that will enhance the farming operation's productive capacity and viability.

Farm families are eligible for up to $200,000 of financing under the program with partnerships and corporations eligible for up to $600,000 depending on the number of eligible farm families involved in the operation. Loans are written at a fixed rate of 9 per cent per annum for terms of 10 to 20 years.

During the 1987-88 fiscal year there was a net increase of 2,556 loan authorizations, with a net increase in the total authorized amount of $69.4 million. Participating financial institutions advanced a total of $333,637,265 on 4,100 accounts during the fiscal year.

Lending under the Alberta farm credit stability program will cease on June 30, 1989 or when $2 billion has been loaned, whichever comes first.

The administration of the program continued as a joint effort between Alberta Agriculture and Alberta Treasury. Activities within central program support included interpretation and clarification of program criteria, and reviewing and authorizing requested loan amounts. Producer support was also extended in the form of loan counselling and referrals to regional farm economists and enterprise counsellors.

Alberta Treasury remained responsible for the flow of funds between the government and lenders.

Program Statistics to March 31, 1988

Authorizations:		
No. of active loan authorizations	15,376	
Amount authorized	$1,541,974,530	
Average loan amount	$100,286	
Loan Advances:		
No. of loan advances	14,503	
Total amount advanced	$1,470,659,676	
Average loan advance	$101,403	
Loan Categories:		
	Amount Advanced	%
Category "A" (Refinancing - same lender)	$974,296,448	66.3
Category "B" (Refinancing - other creditors)	$244,676,846	16.6
Category "C" (New acquisitions)	$251,686,382	17.1

Red Meat Stabilization

Alberta participated in three commodity price stabilization agreements for red meat: beef, hogs and lamb. Within the beef program, a feeder cattle plan was implemented on July 1, 1987. Coverage became available for cow-calf, feeder cattle (backgrounder) and slaughter cattle producers. A combined feeder/slaughter option was also implemented for producers selling in both markets.

During the 1987-88 fiscal year, the Alberta government matched producer premiums totalling $1.2 million for cow-calf, $6.34 million for feeder and slaughter cattle, $5.64 million for hogs and $27,000 for lambs.

Red meat stabilization staff continued to work closely with Alberta producer representatives on the national committees as well as producer organizations and agencies, to ensure the red meat stabilization programs remain actuarially sound and program principles remain intact.

Summary of Alberta Participation in Red Meat Stabilization — Statistics to March 31, 1988

Plan	Enrolled # of Alberta Producers	Alberta Enrolment as a % of Canadian Enrolment	Estimated % of Alberta Production Enrolled	Alberta Enrolled Production as a % of Canadian Enrolled Production
Cow-Calf	6893	79%	35%	83%
Feeder Cattle	*1361	72%	25%	95%
Slaughter Cattle	*3416	55%	78%	60%
Hogs	3170	24%	85%	25%
Lambs	244	38%	30%	40%

* *Includes producers enrolled in the combined feeder/slaughter option.*

Alberta Beekeepers Disaster Assistance Program

The Alberta beekeepers disaster assistance program was implemented January 14, 1988 on a one-time basis in recognition of difficulties producers faced, primarily due to the U.S. border closure to the importation of honey bees. The program is aimed at assisting producers faced with increased production costs in an effort to maintain a viable beekeeping industry in Alberta over the long term.

During the 1987-88 fiscal year, the program provided initial payments of $10 per hive based on the producer's intended July production, to a maximum of the producer's 1987 registered levels.

A total of 249 applications were processed representing a total of 141,463 colonies and a total initial payment of $1,414,630.

Specialty Crops Stabilization

Alberta became a signatory to national tripartite sugar beet stabilization on April 16, 1987 and national tripartite bean stabilization on October 2, 1987. Stabilization coverage was provided for bean and sugar beets in the 1987 crop year.

Arrangements were made with processors to collect producer premiums for both programs.

A total of 564,518 field tonnes of sugar beets were produced and covered under the sugar beet stabilization program. Producer premiums totalled $310,485 and were matched by the province. An interim payment of $6 per field tonne was authorized on the 1987 crop representing a total initial payment to Alberta producers of $3.39 million.

Bean marketings covered under the tripartite program totalled 14,481 tonnes. The Alberta government matched the producer premiums of $217,216. A $60 per tonne interim payment was approved on the 1987 crop representing an initial payment to Alberta producers totalling $869,000.

Summary of Alberta Participation in Specialty Crops Stabilization — Statistics to March 31, 1988

Plan	Enrolled # of Alberta Producers	Alberta Enrolment as a % of Canadian Enrolment	Estimated % of Alberta Production Enrolled	Alberta Enrolled Production as a % of Canadian Enrolled Production
Sugar Beets	460	47%	100%	57%
White Beans	183	8%	100%	0.02%
Colored Beans	183	71%	99%	90%

1987 - 1988

FIELD SERVICES

RURAL SERVICES DIVISION

The rural services division directed its programs toward supporting agricultural business unit development, infrastructure development and agricultural resource development. Programs and activities were carried out in line with the goals to increase long-term profitability of primary producers and processors, to foster self-reliant organizations, and to promote conservation of soil and water resources.

Agricultural engineering services co-operated with three colleges: Lethbridge, Olds and Lakeland, as well as the farm business management branch in delivering computer training to primary producers and their families. The colleges delivered training in their respective geographical areas following the department's curriculum. In total, 70 two-day courses were run. Engineering services also ran the second year of the tractor fuel efficiency demonstrations, with 29 held in the northern half of the province.

The results of FAMEX '86, a Farming for the Future project conducted in co-operation with the department of rural economy, University of Alberta, was completed. This study, the first of its kind, dealt with the expenditures of farm families across Alberta. *Explore Nutritious Alberta*, a resource package for elementary schools, was designed by the home economics branch. The package, which showed the link between foods, nutrition and agricultural production and processing, was introduced to 1,400 Grades 1 to 3 teachers. The rural agricultural products promotion (RAPP) concluded and a follow up program, "Savor Alberta Flavor", was developed. Grants were provided to womens' agricultural organizations to assist them in local programming.

The agricultural awareness educational program, "Agriculture in the Classroom", further developed curriculum-related teacher handbooks. The Grades 4 to 6 book was revised and printed, the Grades 1 to 3 was piloted, and the Grades 7 to 9 developed and ready to pilot. A special urban agriculture outreach project, funded by the Career Development and Employment A.B.C.D. program, will have made over 1,000 presentations by the end of the 1987-88 school year.

Seven hundred and fifty-nine green certificate training agreements were in place during the year with 171 certificates issued. Enrolment in the home study program increased to 5,300 from 3,000, an increase of 76.6 per cent.

Sixty-six agricultural service boards received $4,000,000 in grants to assist them in various local programs including weed and pest control, and soil conservation.

Three new agricultural societies were formed for a total of 295. Operating grants provided to 205 agricultural societies totalled $1,141,977, with fair grants of $222,942 to 162 societies, and capital grants of $735,075 to 18 societies.

Member enrolment in the 4-H program was at 7,308 with 2,431 adult volunteer leaders involved. Average tenure of 4-H members was steady at 3.1 years. There were 468 clubs, with the highest enrolment in beef, multi-project and light horse clubs.

Agricultural and Community Services Branch

The agricultural and community services branch provided human resource and financial support to three distinct community organizations in order to foster self-reliance in the rural community and to assist in developing and advocating provincial agricultural policy. The branch enabled local municipal government and local community organizations to plan and implement appropriate programs by providing leadership development and support, as well as financial assistance in the form of grants.

The agricultural services section provided administrative and operative support to agricultural service boards. Sixty-six agricultural service boards were allocated $4,000,000 in basic grants to assist them in the execution of essential programs in soil conservation, weed control, field crops, pest control, horticulture and tree planting, livestock improvement projects, training and extension. An additional $190,000 was allocated to soil conservation projects under a federal/provincial agreement in accordance with individual agricultural service board requests.

Emphasis was placed on providing training to agricultural service boards, agricultural fieldmen, district agriculturists and board chairmen to increase their effectiveness in program planning, formulation of local agricultural policy, staff development and supervision. To accomplish this, 28 sessions were held with boards or board members across the province.

To further assist boards in carrying out their activities, two issues of the provincial agricultural service board newsletter were circulated. A department directory, listing resource specialists, served as a guide to local boards in identifying the appropriate technical resources during the planning process, and improved communication with government agencies and between individual boards.

The policy of advancing 75 per cent of the annual grant allotment to agricultural service boards on the approval of the memorandum of agreement was maintained. Boards were given flexibility to transfer allocated grant amounts from one project to another enabling them to make effective use of limited grant funds and to respond to the need for emergency programs.

Provincial input into organizing, planning and resourcing regional and provincial agricultural service board conferences and training sessions for agricultural fieldmen, improved communications and increased the participation of board members and staff. The staff assisted various local, regional and provincial committees to plan and evaluate conferences and tours.

Sixty agricultural development committees provided understanding of local conditions and needs in hearing appeals on Agricultural Development Corporation (ADC) loan applications and the disposition of public land. Committees also contributed to the development of policies in Alberta by identifying program needs in rural communities.

The community services section provided support to 294 agricultural societies to enhance their effectiveness as self-reliant industry organizations. Support was provided through leadership and organizational training workshops, regular bimonthly newsletters and resource materials. Agricultural societies encouraged the improvement of the quality of life of the agricultural community by sponsoring various courses and demonstrations, fairs and exhibitions and by operating community facilities.

Seven information meetings were held with various communities to provide preliminary information about the agricultural societies program. Sixty-six consultative meetings were held with new and existing agricultural societies to provide training and information on reorganization, leadership development, fund raising and facility development and operations. Staff also participated in conferences of the Canadian Association of Exhibitions and the Alberta Association of Agricultural Societies. Three new agricultural societies were formed in 1987-88.

Community services staff attended five regional fair planning workshops. These workshops provided training to fair judges and convenors of the many local fairs held each year. Funding was provided for a variety of judges at agricultural fairs and at Women's Institute competitions throughout the province.

The community services section supported the Alberta Association of Agricultural Societies (AAAS) in its capacity as the provincial umbrella organization for agricultural societies. AAAS co-sponsored the first "Canada Packers Alberta Quilt Competition".

Programs such as exhibitions, fairs and displays received financial support. Financial assistance was also provided to agricultural societies to assist in the construction, renovation and operation of multi-use community facilities. Operating grants to 205 agricultural societies totalled $1,141,977; 162 fair grants totalled $222,942 and 18 capital grants totalled $735,075.

All agricultural societies in good standing received the second payment of grants under a three-year program with the Western Canada Lottery Corporation. A total of $4,940,000 was allocated to this program.

4-H Branch

The emphasis of the 4-H program continued to be in four major areas: project revision and development; 4-H promotion, including member and leader recruitment; the delivery of support and training to adult volunteer leaders; and communication and personal development training.

The 4-H branch worked with 7,308 members and 2,431 leaders associated with 468 4-H clubs.

Individual projects remained the focal point for 4-H members. Thirty-two projects were offered with the highest enrolments in the beef, multi-project and light horse clubs. New educational manuals in the clothing (leaders supplement), foods (fitness fare), crafts (knitting) and self-determined projects were introduced. Revisions in light horse, beef, dairy and pheasant materials were undertaken. Field crops manuals were in development.

Jackie MacGillivray of Iron River, long-time 4-H leader and supporter, and Nick Chomik, retired district agriculturist from the Ryley and Vegreville areas, were inducted into the Alberta 4-H Hall of Fame. Twenty-eight 4-H leaders represented Alberta at various national and international leader training/recognition programs.

Alberta hosted 46 leaders from across Canada at the "1987 Western Leaders' Forum" at the Alberta 4-H Centre, Battle Lake. Three hundred and fifteen 4-H leaders attended the Alberta 4-H Leaders' Conference held in Edmonton.

Summary of 4-H Clubs by Project (1987-88 Club Year)

Club Project	No. of Clubs
Beef	175
Canine	1
Clothing	14
Computer	1
Crafts	7
Dairy	12
Field crops	1
Foods	9
Gardening	2
Light horse	84
Multi-project	143
Outdoorsman	2
Other	1
Photography	1
Pheasants	1
Speech arts	1
Small engine	5
Sheep	6
Swine	1
Woodworking	1
Total	468

One hundred and thirty-one senior 4-H members dealt with the decision-making theme "Considerations and Consequences" at the provincial selections program. Sixty-one of the delegates received award trips to attend provincial, national and international programs.

The two personal development club week programs attracted 255 members. One hundred and fifteen members attended three "Way With Words" weekend communication training seminars. Twenty members and leaders attended a pilot marketing workshop promoting the 4-H program in the local community.

Fifty-five Alberta 4-H'ers studied current environmental issues at conservation camp. Three hundred and sixty-six 4-H clubs participated in the annual highway cleanup in which over 3,000 miles of roadside were cleaned.

The provincial beef heifer show attracted delegates from 30 4-H clubs while 15 clubs participated in the provincial 4-H dairy show. Approximately 50 members attended the first provincial judging clinic in Edmonton.

The "Leadership Through Counselling Seminar" (LTCS) trained 84 senior 4-H members to serve as junior camp staff. A total of 876 4-H members participated in 15 camps held at various locations throughout the province. The final three manuals in the nine-manual environmental appreciation program were developed. The program is designed to increase the awareness of 4-H campers about their environment.

Educational/Consultative Client Contacts by Subject Area

MEDIA CONTACTS

	#Items[1]	#Contacts[2]
Branch Staff	171	6,238
Regional 4-H Specialists	409	1,281
Total	580	7,519

[1] No. of items (e.g., news releases, radio talks) produced.
[2] No. of media outlets contacted.

CLIENT CONTACTS

	No. Individual Contacts	Major Meetings No.	Major Meetings Attendance	Educational/ Consultative No.	Educational/ Consultative Attendance
Branch Staff	30,348	92	1,146	202	27,118
Regional 4-H Specialists	23,646	329	4,804	2,140	29,885
Total	43,994	421	5,590	2,342	37,003

ALBERTA 4-H CLUB MEMBERSHIP BY PLACE OF RESIDENCE (1987-88 Club Year)

	Female	Male	Total
Farm	2,882	2,716	5,598
Rural non-farm	582	282	864
Urban	633	213	846
Total	4,097	3,211	7,308

Total number of clubs = 468
Total number of members = 7,308
Total number of adult volunteer leaders = 2,431
Average age of 4-H members = 13.11
Average tenure of 4-H members = 3.10

The 4-H scholarship program increased this year to provide 41 4-H members with scholarships valued at $28,700.

Cleaver, the 4-H mascot, appeared in seven televised parades in July and August including Edmonton Klondike Days Parade and Calgary Stampede Parade. Cleaver also appeared at many local and regional 4-H functions.

The 1987 Premier's Award winner, Gail Cunningham of Kelsey, Alberta, toured Alberta throughout the year, recruiting new members and speaking at club, district, regional and provincial events.

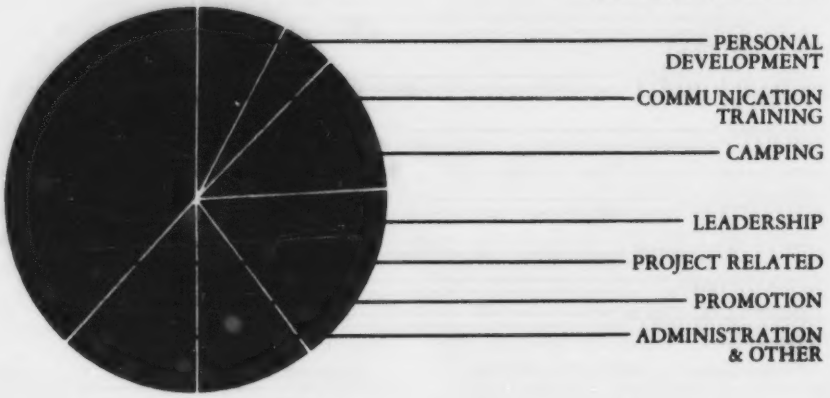
The weekly radio program, *4-H News Roundup* was broadcast over 27 Alberta radio stations.

4-H staff continued to provide training seminars on topics such as 4-H administration, judging, farm safety, personal development, leadership and communication training, to 4-H members, leaders and parents. District, regional, provincial and national 4-H councils were active throughout the year. Seven 4-H regional specialists delivered the 4-H program in the field.

Educational/Consultative Clients Contacts By Subject Area

REGIONAL 4-H SPECIALISTS

4-H BRANCH STAFF



Home Economics Branch

The work of the home economics branch was directed towards supporting the department's goals of increasing the long-term profitability of primary producers and agricultural processors and in fostering self-reliant industry organizations. This was accomplished through research, provision of technical information, delivery of educational programs, development of teaching resources and leadership and support to provincial programs.

The results of FAMEX '86, a Farming for the Future project conducted jointly with the department of rural economy, University of Alberta were distributed. Over 2,000 copies of the full report and 3,000 copies of a summary brochure were given out. A video, computer program, display and other educational resources utilizing results of the study were developed for use by field staff.

Ten district home economists and 320 farmers were involved in a Farming for the Future study to evaluate the acceptance of disposable coveralls by pesticide handlers. This marked the fourth year of joint research with the department of clothing and textiles, University of Alberta and the branch.

Home economics technical information was delivered directly by home economics specialists to clients at workshops and in other educational settings. Three thousand eight hundred clients were present at the 96 sessions resourced by branch staff. Another 4,250 clients were reached through individual contact.

Nutrition issues of concern to women continued to be a popular topic for presentations. Vitamin supplements, osteoporosis and the role of calcium and fats in the diet are examples of subjects of concern.

Interest in home-based business as a means of supplementing farm income increased. Workshops were resourced by district home economists, home economics specialists, local entrepreneurs and staff of Alberta Economic Development and Trade.

Specialists instructed at over 12 farm record keeping courses. In addition, presentations were given at GearUp Financially courses and at other programs with a financial management focus.

Technical information was distributed to district home economists and other staff for their use in direct service delivery to agricultural producers and processors. Individual contacts with department staff through office visits, telephone calls and letters totalled 7,800. Educational resources were prepared to support field staff in programming. Among the topics developed were retirement and estate planning, farm record keeping, protective clothing, red meats, canola oil and pulse crops.

To assist field staff in responding to requests in the family living area, a self-learning package, *You and Stress*, was updated and made available on loan to clients. A speaker roster was prepared, listing external resource people in the family living and leadership development areas.

Explore Nutritious Alberta, a resource package for elementary schools designed to demonstrate the linkage between food, nutrition and agricultural production and food processing, was introduced to 1,400 Grades 1 to 3 teachers. District home economists delivered the package via 56 teacher workshops in rural Alberta, while food and nutrition specialists were responsible for 12 teacher workshops in Calgary and Edmonton. Two teacher newsletters were prepared and delivered to teachers as a follow up to the workshops. The resource package for Grades 4 to 6 was completed and will be offered to teachers in fall 1988.

The branch co-ordinated or sponsored other programs including Alberta Women's Week, a residential program attended by 225 rural women. "You and Your Organization", a joint leadership development program with the Alberta Women's Institutes, was implemented at 15 locations in 1987.

The rural agricultural products promotion (RAPP) program concluded its third year of operation. Branch staff were involved in plans for a follow up program, "Savor Alberta Flavor".

In total, 48 educational presentations were made to department staff in line with the branch's role to provide in-service training. Two provincial food and nutrition training sessions were held. An update on current nutrition issues surrounding agricultural foods was presented. All district home economists attended sessions where Explore Nutritious Alberta materials and a revised dietary analysis computer program — diet detective — were introduced. Staff training also focused on estate planning and farm record keeping.

Sixteen projects were undertaken at the home economics test kitchen including recipe testing for three food processors and two commodity organizations. Food preparation was done for use on three television programs promoting Alberta grown and processed foods.

Grants were provided to the Alberta Women's Institutes and Women of Unifarm to support their program planning and delivery.

The branch began this fiscal year with fewer permanent staff. A regional clothing and textiles specialist position and a provincial food specialist position were abolished.

Agricultural Education Branch

The branch was responsible for developing and delivering educational programs to support field services sector activities, relating to the extension of technology and development of the farm business.

"Agriculture in the Classroom" was an educational awareness program built around curriculum-related teacher handbooks for use in Alberta schools. The goals of the program were to update the image of the agriculture industry, show its economic importance and diverse career opportunities, and enable young Albertans to make informed decisions about agriculture in the future.

During the year the *Pride In Alberta* teacher handbooks for Grades 4 to 6 were revised and reprinted. The Grades 1 to 3 handbook, *Agriculture and Me*, was printed and piloted. The junior high school series, *Space Age Agriculture*, was developed, printed and is ready for piloting. Introduction of the handbooks in the classroom was encouraged by teacher workshops at teachers' conventions and professional development days, and the distribution of a seasonal newsletter to 6,000 teachers at participating schools.

The urban agriculture outreach program, funded through the Career Development and Employment A.B.C.D. program, used Agriculture in the Classroom handbook material for classroom presentations in Edmonton and surrounding area, Calgary, Red Deer and Lethbridge. More than 1,000 presentations will have been made by the close of the program June 30, 1988.

The green certificate program continued to provide training in the technical and managerial skills required of permanent farm employees or aspiring farmers. This apprenticeship-style, adult education program continued to co-operate closely with more than 300 Alberta farmers who provided training facilities, teaching services, and undertook certification and testing duties.

The special arrangement with Alberta Career Development and Employment to fund the training services provided by farmers continued and provided stability and continuity to the program.

There were 759 green certificate training agreements in effect over the year with an average population of 233 trainees on farm sites throughout the province. A total of 171 certificates were issued to competent trainees during the year, of which 38 were for Level II graduates. In spite of the weak farm economy, these graduates found ready employment on farms as a result of a continuing need for technologically skilled and qualified farm manpower.

Curriculum development to expand the training specializations to include feedlot employment was initiated during the year. In addition, new initiatives were taken to provide production management and safety training for trainees. New administrative procedures and a computerized record keeping system were also introduced.

The primary purpose of the home study program was to develop and maintain educational programs for self-study by farmers and farm families and for use as a support resource for the delivery of extension programs in the field. The Beef Herd Management Reference Binder and Study Guide was developed during the year. A reprint was required three months after the original printing and by the end of the fiscal year more than 2,700 had ordered the binder. The Pork Production course was revised during the year. Total enrolment during the year for the 13 available home study courses was approximately 5,300, up from 3,000 the previous year.

During the year a marked trend developed which saw agribusinesses using home study courses for staff training. For example, over 200 Alberta Wheat Pool employees enrolled in the Soils course. Over 100 Federated Co-operatives employees took the Animal Health course. Other companies made use of the Farm Estate Planning course and the Crop Protection course.

The farm safety program acquired two new private sector sponsors. TransAlta Utilities Corporation and Alberta Power Limited agreed to become co-sponsors of the 1988 farm safety rural school program. Esso Petroleum Canada Limited, which had co-sponsored the rural school program, moved into projects involving safe handling and storage of agricultural chemicals. Farm safety continued to receive support from volunteer organizations such as Alberta Women's Institutes, Women of Unifarm, Alberta Association of Optometrists, Farm Equipment Dealers' Association of Alberta and British Columbia, and Alberta Flying Farmers. Program staff returned to active membership in the rural safety committee of the Alberta Safety Council.

A total of 17 fatal farm accidents occurred in the province in 1987. While this represents an increase of four fatalities over 1986, the figure is 35 per cent lower than the yearly average reported from 1976 to 1986. Compared to 1986, farm accidents resulting in injuries increased by six per cent.

Response to the farm safety program continued to be excellent. Two hundred and fifty-five workshops, seminars and special programs were conducted with approximately 8,500 farmers, farm workers and farm family members.

The agriculture manpower programs unit focused on the development of programs to provide agricultural work experiences for high school and post-secondary students. Positions in

general research, laboratory technology, extension and farm labor provided work experience to complement academic endeavors, and to assist students with career decisions. Additional services included employment counselling and staffing for all "experience" programs.

The following programs were administered by the agriculture manpower programs unit:

- Agriculture work experience program — 15 positions
- Summer temporary employment program — 85 positions
- Priority employment program — 54 positions
- Veterinary work experience program — 32 positions
- Summer farm employment program — 870 positions
- Employment skills program — 20 positions
- Special placement program — five positions

This unit also reviewed and processed approximately 25 applications under the agricultural entrepreneurial immigration and Canada investment review programs.

Agricultural Engineering Branch

The dugout construction incentive program carried out in 1985-86 and 1986-87, coupled with heavy fall rains and near normal runoff, resulted in a much improved farm water supply situation in the spring. As a result, activities in the water supply area of the engineering program were reduced in the 1987-88 fiscal year.

The skill training program's expansion into computer training was a success. The department's two mobile units worked to near full capacity, holding 70 two-day courses in a five-month period. Colleges at Lethbridge, Olds and Vermilion participated in the program by delivering courses within their respective geographic areas and following the branch's curriculum scheduling. The traditional skill training courses in welding, mechanics and hydraulics were also well attended.

The second year of the tractor fuel efficiency project went smoothly with the start up problems of the first year resolved. Twenty-nine demonstrations were held in the northern half of the province. Eight others had to be cancelled due to wet field conditions. Together with the soils branch, the unit worked extensively on the development of a database by measuring power requirements for tillage operations under different soil and field conditions across the province.

Several projects were initiated in co-operation with other institutions in the province, two of them with Lakeland College. The first project evaluated air flow rates for natural air grain drying, using farm-size bins and commercially-available aeration systems. The second project investigated soil compaction within the soil profile.

Work with the Wild Rice Growers Association to improve the threshing action of rice harvester headers was successful. Efficiency of the collection device increased by over 20 per cent.

A co-operative project was initiated with the University of Guelph to study the problem of stress cracks in the wall and frames of several conrete horizontal silos.

The demand for information on intensive livestock facilities remained high.

INFORMATION SERVICES DIVISION

Information services division provided information to the agriculture industry and the general public on department programs, policies, production and marketing through the print and electronic media. It also produced support material to assist Alberta Agriculture staff in delivering programs to farm families.

The division provided organizational support and publicity for special events such as Agriculture Week and the Alberta Agriculture Hall of Fame. Assistance was also provided to producer groups and agricultural organizations.

Broadcast Media Branch

The broadcast media branch produced a daily radio program and several films and video tapes. It also provided film and video lending services, an audio-visual production service, and counselling and training in effective use of broadcast media. The branch participated in training workshops dealing with enhancing presentations and communications skills.

Two hundred and sixty-one *Call of the Land* programs were produced in 1987-88 and were aired on 15 AM and eight FM stations in Alberta to a daily listening audience of over 55,000. More than 800 separate stories were aired on the programs. *Call of the Land* is fed by satellite to all stations except CKUA.

Twenty films and video tapes were produced. These included 16 extension films, videos and four vignettes for the Agriculture Hall of Fame. The film *The Lively Calf* received the top award in the educational class in the AMPIA film competition.

Over 4,700 films, slide kits and video tapes were loaned to schools, 4-H Clubs, department staff and other organizations. Over 30 new films and videos were added to the film library. Numerous audio cassettes were added to the library for the first time.

The branch provided an audio-visual service to department staff. Overhead transparencies, slides and flipcharts were produced to enhance staff presentations. Work began on preparing the placement of a 17,000-slide collection on a computer for easy access.

A video library pilot project was initiated in 10 district offices. An evaluation will determine its future.

Print Media Branch

The branch provided technical information on agriculture to farmers and others in the agriculture industry, and general information on agriculture and food to the general public. Staff of the department and associated boards and commissions were provided with advice and training in effective print communications, and editorial and publishing services.

Agri-News, a weekly news release package, provided 624 articles to 280 media facilities and 4,000 other recipients. Special press kits were prepared for the Agriculture Hall of Fame, Agriculture Week and Soil Conservation Week. Sixty press releases for ministerial announcements and other special releases were prepared and distributed throughout Alberta. Other press services provided were advice on the effective use of the media, and assistance with the editing and rewriting of columns and articles for field staff.

One hundred and eleven new and revised technical publications for farmers and their families were issued. A monthly listing of these extension publications, *What's New in Publications*, was produced and sent to 4,500 persons in the agriculture industry. Numerous other reports and promotional publications were also published. Assistance was provided with the development and placement of the department's advertising.

There were 333 printing jobs placed with commercial printers and supervised by branch editors. The in-house duplicating shop printed a total of 23.0 million pages for the 1,313 jobs it handled.

More than 1,200 different publications on commercial farming, home economics and gardening were available to the public from the print media branch and field offices. There were 756,711 copies of publications distributed. The branch responded directly to 13,174 requests from the public and handled 3,991 orders from field offices for publications. All 4-H manuals and other club materials were reordered, stored and distributed by the branch.

Timely information on commercial farming was sent monthly to more than 50,000 readers by means of an insert in the Alberta edition of the *Country Guide* magazine.

Staff graphic artists handled 135 design jobs for the department's printed and audio-visual materials.

Library Services Branch

The library services branch provided a wide range of information services to department staff as well as to the agricultural sector in the province.

In 1987-88 the library system consisted of the main library in Edmonton and 15 regional and branch libraries throughout the province.

Access to information via electronic databases was broadened this year by the addition of three new online services: Info Globe, Wilsonline and the National Library of Canada's DOBIS network. These services, together with those offered by other vendors, brought to nearly 400 the number of bibliographic, full-text or statistical databases accessible through the library's on-line services.

The library continued to participate in the development and maintenance of the SCITECH database, a co-operative on-line catalogue of the holdings of Alberta Agriculture, Alberta Environment and Alberta Research Council libraries. Three microfiche cumulations of the catalogue were produced and distributed to branch libraries and on-line use of SCITECH increased sharply over previous years.

Interlibrary loan services utilized regional, national and international library networks to tap the resources of other libraries for materials not held in the department's library system. The electronic transmission of interlibrary loan requests greatly improved the speed and efficiency of document delivery service. A major cost reduction program that began the previous year and which has resulted in the cancellation of over 170 periodical subscriptions in the past two years placed additional demands on interlibrary loan services.

Several projects were initiated and completed during the year, some with the assistance of temporary employment programs. These included a series of short bibliographies highlighting the library's resources in areas of current interest to department staff, as well as an in-depth subject evaluation of the library's book collection. In addition, a guide to marketing information resources was published jointly by the library and market development. This was distributed widely to academic, special and public libraries throughout Alberta, as well as trade associations, marketing boards and others in the agribusiness sector. *Library Recent Additions* continued to be the main vehicle for alerting department staff to new materials acquired by the library.

The library participated actively in local and national library organizations, including membership on the executive of the Alberta Government Libraries' Council, an interdepartmental committee, and attendance at the Canadian Library Association's annual conference in June.

Special Projects

The special projects unit co-ordinated the activity of routing, editing and advising department staff on ministerial correspondence. As well, this unit researched many matters related to legislative procedure and the updating of existing legislation which the department is responsible for maintaining and enforcing. Many support systems for the Ministers' offices were also provided.

Map of the six Alberta Agriculture Regions

Region 1
Southern
Lethbridge

The 1987 crop year started off well with good moisture reserves from the previous fall. Spring came early and planting conditions were near ideal. Growing conditions soon deteriorated as no general rainfall was received across the region until late June and early July. This caused uneven emergence and ripening of crops, resulting in harvest problems. Hot weather in July and early August caused the crops to ripen and an early harvest to start. Rains in late August and early September stalled harvest. Weather damage resulted in up to one-third of the crops in some areas being downgraded.

Soft wheat acreage declined to 237,000 acres as initial prices fell to around $1.98 per bushel. Good yields were obtained but quality was affected by some sprouting and a heavy incidence of blackpoint. Leaf diseases such as powdery mildew, septoria and tan spot were very common while stripe rust was virtually absent. Yields averaged 75 to 80 bushels per acre.

The interest in alternative crops continued high, partially due to the low prices for conventional commodities. The number, extent and type of farm demonstrations and trials featuring special crops increased again in 1987. Special crop acreage in southern Alberta was up approximately 38 per cent over 1986. Significant acreage increases were seen in crops such as dry beans, dry peas, lentils and safflowers. Sugar beet growers had an exceptional year with yields averaging 18 tonnes per acre. Exceptional weather allowed the harvest to be completed in three weeks, one-half the normal time.

The early fall moisture provided excellent fall seeding conditions. The growing season had an above average accumulation of heat units aided by a very long fall but hindered by a cool August. Warm season crops such as corn and beans yielded well and were aided by the absence of a killing frost until the third week of October. September was so dry that the dry bean harvest was hindered by over-dry seed resulting in excessive cracking and splitting.

Outside of the normal weed control on cultivated cropland the ongoing control and eradication programs for leafy spurge and knapweed were models of co-operation between various government agencies and different levels of governments. There were no new weeds of economic importance found in the region. Concern about scentless chamomile deepened and as a result several local counties and municipal districts added this weed to their restricted weed category.

The brown wheat mite, still a potential pest, was found in several locations between Milk River and Barons. Grasshoppers were important in localized areas but the predicted collapse of the infestations occurred. Grain storage insects continued to be a concern in the southern half of the region, mainly due to the extremely warm weather during harvest. Bunt was found infecting winter wheat in an area southeast of Lethbridge, however the outbreak appeared to be isolated and likely due to inadequate seed treatment.

Soil conservation efforts reduced damage caused by wind erosion to pre-1980 levels, although some isolated cases of severe erosion did exist. Co-operation between local governments and other government agencies resulted in regrassing to permanent pasture in some of the more controversial situations.

Staff continued to work closely with native farmers on the Blood and Peigan Indian Reserves to successfully control soil erosion caused by wind. The project was a joint effort between district staff, conservation and development staff and PFRA staff.

The good fall moisture in 1986 resulted in an excellent year for salinity control in most of Region 1. Alfalfa yields were below expectations in the Vulcan and Willow Creek areas because of poor seasonal precipitation. Alfalfa yields continued to surpass the one ton per acre average with some yields exceeding two tons per acre. Hay prices for 1987 and 1988 were low, increasing cash flow problems for conservation farmers. The dryland salinity investigation service (DSIS) handled 227 projects from 183 farmers. Reports and recommendations were issued to 108 farmers with 67 implementing controls.

The relatively mild winter of 1987-88 saw cows in good shape at calving, resulting in lower calving losses. There were higher than normal spring feed inventories which produced lowered feed costs during the winter. This, coupled with strong calf and cull cow prices, resulted in good returns to the cow-calf producer and a fair amount of optimism in the industry. Most of the expansion within the cow-calf industry occurred in existing herds.

Because of the higher feeder replacement costs and the lower feed costs it was more economical to feed cattle to heavier slaughter weights with some increase in the number grading A2, A3 and A4. Canadian packers were unsuccessful in altering this trend by applying discounts to heavier and fatter cattle, because American packers were willing to accept these cattle at no discount. This situation resulted in

increased numbers of cattle being shipped to the U.S. and the Canadian packers having to reduce their discounts to remain competitive.

The dairy industry remained in good financial health. A number of consultations involving ADC and FCC lenders were conducted. Where possible, detailed analyses of dairy herd improvement records were also done. Using a computer program designed in the region, eight quota management situations were analysed and possible alternatives were discussed. Staff provided 30 consultations to dairy producers relating to the importance of good nutrition. A close relationship was maintained between staff and processors in the industry.

Although hog producers saw a gradual decline in prices over the year, interest in hog production increased to about double that of a year ago. This was due in part to the depressed grain prices and farmers' desire for a stable alternative income. Demonstrations were conducted using the PIGCHAMP microcomputer record system. A tour of swine units in the United Kingdom was organized for producers from Alberta and B.C.

There was a continuing emphasis on the farm financial management initiatives program in the region, with seven accounting courses conducted for 85 farm families. Eleven Gear Up Financially courses were held, reaching 117 farm families. In co-operation with Lethbridge Community College, two Gear Up Financially Level II courses and one Level III course were offered. Counselling clients experiencing financial difficulty was also a major emphasis of the program. Forty-nine farm clients were provided with the services of a consultant, while a slightly higher number were assisted by Alberta Agriculture staff.

Specialist staff worked to develop a number of microcomputer projects over the past year to assist district staff and producers in decision making. These include a cow-calf enterprise return to management, a feeder cattle breakeven price analysis, a yearly dairy revenue estimation and a hog cash and animal flow program.

4-H program activity continued to be high. Club numbers increased by 10 per cent, member numbers by 13 per cent and leader numbers by 16 per cent. One new event was added to the Leaders' Recognition Night: the "Friend of 4-H Award" which was presented to six people in recognition of their work at the local and district level. There was a trend toward more programs and activities dealing with personal and leadership development.

The green certificate program underwent a year of transition with the duties of regional farm training specialists being consolidated. The number of training situations declined over the year, however, there were 61 certificates achieved—51 Level I and 10 Level II. The demand for the program remained strong.

Farmers in the Pincher Creek area began plans to build a co-op seed cleaning plant scheduled to begin operation by December 1988.

An alfalfa dehydration plant was re-established in Medicine Hat in September 1987.

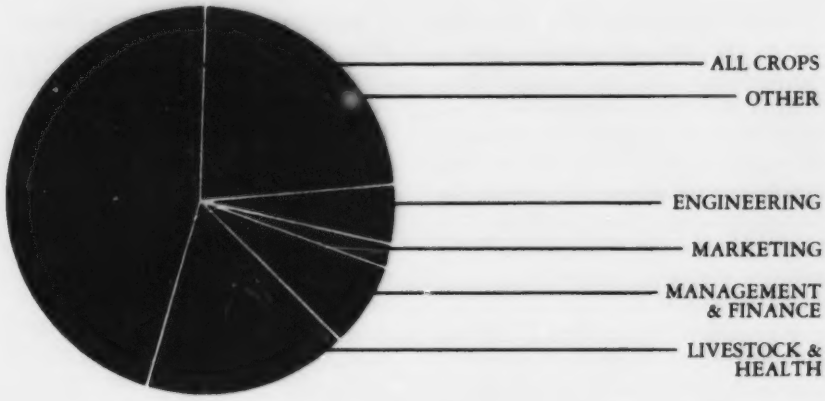
A successful one-day conference entitled "Passport to the Future" was held in the County of Vulcan. It gave people in the district the opportunity to think about change, about their future and about economic and educational alternatives. As a result of this conference, an economic development committee was formed to reverse the declining rural population trends in the County of Vulcan.

Ag-Expo '88, billed as the second largest agricultural show in Western Canada, drew 88,000 viewers. The event continued to draw excellent grain samples from around the world at its international seed fair, as well as a record number of commercial exhibitors (over 300).

District home economists, together with local producers and commodity groups, promoted local products. Five RAPP projects, involving about 7,800 participants, were carried out in Taber, Brooks, Vulcan, Lethbridge and Foremost.

The *Alberta Made* newsletter was distributed monthly to 250 southern Alberta retailers each month to provide information on Alberta products that could be featured and promoted in their stores. Product promotions were also done in conjunction with farmers' markets, fairs, field days and trade shows.

Agricultural Client Contacts By Subject Area



Staff assisted a number of producer organizations such as the sugar beet growers and the bean growers to get their commodities included under national tripartite stabilization.

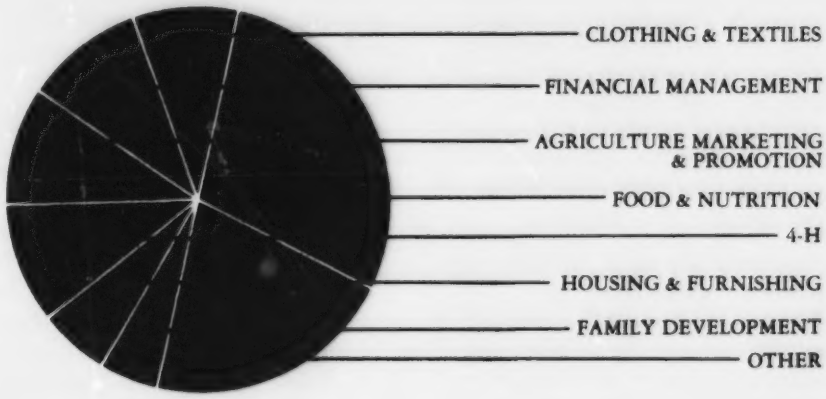
Initial work was also done to assist the pulse growers and the soft wheat growers to attain commission status.

District staff took on the responsibility of handling the provincial portion of the FCC survey. A total of 224 farms were contacted in the region with over 68 per cent of them providing useful information.

During the year district and regional staff focused their efforts toward producers or processors who possessed the production and management skills plus the necessary financial capability, to respond to new technologies. A number of producer clubs dealing with swine, beef, crops and marketing were formed. District staff used the computer-simulated marketing game, Futuresim, to teach producers and their families the elements of grain marketing.

ADC lending activity was down over previous years as farmers concentrated on repaying existing debt. Much of staff time was spent counselling clients and dealing with property management.

Home Economics Client Contacts By Subject Area



Number of Client Contacts	
Interviews	37,661
Telephone calls	39,105
Farm visits	3,820
Letters	5,043
Educational programs	796
Attendance at programs	21,815

REGION 2
South Central
Airdrie

"Extremes" is the best word to describe 1987 for Region 2. The extremely dry spring was preceded by an unusually dry and mild winter. Most fields had sufficient moisture from the previous fall to provide for average germination, however a severe frost of 10 degrees in late May set back all crops and required significant amounts of reseeding. No rain until late July, followed by excessive rains in August, caused uneven maturity in all crops. Yields were better than expected, but grades were reduced due to high percentages of immature seeds. The dry months of May and June also resulted in poor pastures and delayed hay crops. Weed control practices were greatly reduced, and the subsequent rains resulted in weedy fields and high dockage at harvest.

Real success was achieved in soil conservation, evidenced by the significant reduction in soil erosion during the winter and early spring of 1988. There were also more fields that received fall weed control and minimal working in order to keep the stubble up and reduce wind erosion. Reduced tillage or modified forms of direct seeding became an accepted practice throughout most of the region.

Ranchers and livestock producers had a productive and profitable year. Ranchers and cow-calf producers benefited from strong calf prices and abundant forage and grain supplies at modest prices. Margins were somewhat narrower for feeders with some periods returning a net loss.

The number of dairy producers was static with a slight increase in production due to improved efficiency and readily available forage and grain. Hog production experienced some expansion among established hog producers. The number of sheep producers also increased, however, the total number of sheep did not rise dramatically. The establishment of the new Cargill Packing Plant at High River resulted in renewed interest in livestock feeding as well as market contracting.

The district offices had a significant role in delivering several provincial and federal programs designed to reduce the costs of production or share the risk encountered by producers. Programs like the farm fertilizer price protection program, the Alberta Crow benefit offset program and the Alberta farm fuel distribution allowance, helped to reduce the input costs to producers. In addition, the uncertainty and risk to producers was also addressed through such programs as the tripartate stabilization program, the farm credit stability program and the special Canadian grains program. In total the district offices responded to 8,933 requests for information or assistance in providing these programs to eligible producers.

Water supplies for livestock were also influenced by the unusual weather conditions. Thirty requests for Alberta's dugout water pumping program were serviced during the year.

Strong interest in and support for the Farming for the Future on-farm demonstration program was again in evidence. Twenty-two new projects and 12 renewals were approved for demonstrations ranging from alternative annual forages for livestock grazing to plow-down crops as alternatives for summerfallow, to linear measurements for the selection of replacement heifers. A total of $92,425.60 was committed to these demonstrations, many of which were included in the 28 tours conducted for producers throughout the region.

Close to 35 farm families kept track of their family living expenditures during 1987 under FAMEX, a Farming for the Future project conducted jointly with the home economics branch and the department of rural economy, University of Alberta.

Achieving a positive net margin remained the major difficulty for many producers throughout the region. Producers with little or no debt were able to continue their operations with minimal difficulty. For other producers faced with financial difficulty, outside advice was sought for financial management. The consultations portion of the farm financial management initiatives program provided in-depth consulting to 42 producers throughout the region. Several other producers were directed to the Farm Debt Review Board.

District office staff, together with assistance from consultants and instructors of the farm financial initiatives program, provided six major Gear Up Financially workshops to 68 farm families throughout the region. In addition, 10 workshops on farm records and record analysis were presented by district offices with ongoing follow up provided as requested by the client. There were 6,635 requests for financial management and business information that were responded to by district staff and specialists.

The rural agricultural products promotion (RAPP) program was aimed at increasing sales of Alberta processed foods in rural Alberta. This program was a co-operative effort with the home economics branch, the marketing sector and the Alberta Food Processors Association. District home economists took the initiative to promote Alberta food and beverage products at numerous district events.

Production technology, marketing strategy and farm and financial management were the emphasis of 568 extension and technology transfer programs conducted by district agriculturists. In total over 15,800 primary producers and processors were involved in the technology transfer process.

Nutrition education materials were presented to teachers of Grades 1 to 3 throughout the region. Entitled, *Explore Nutritious Alberta*, the materials supported the nutrition component of the elementary health curriculum and linked agriculture with food and nutrition.

District staff and regional specialists continued to maintain a close liaison with Agricultural Development Corporation (ADC) staff and loans officers.

District agriculturists and home economists continued to help plan and assist with community activities initiated by the 39 agricultural societies throughout the region. Particular emphasis was given to leadership development, agricultural fairs, farm produce exhibits and promotion.

Leadership development was an important aspect of the year's programming. A joint project, "You and Your Organization", was presented to several Alberta Women's Institute groups and was aimed at increasing organization effectiveness.

District home economists increased efforts to recruit 4-H members and leaders. A renewed interest in the Alberta 4-H program was evident. The number of 4-H clubs in the region was 74. Total membership increased slightly to 1,197, guided by 380 leaders. The trend continued towards multi-project clubs.

Extensive 4-H staff promotional effort through the summer and fall of 1987 contributed to increased 4-H membership, most notably in the beef and clothing projects. Interest in both regional and provincial programs and activities continued to rise, with the Regional 4-H Council placing special emphasis on training all age groups in livestock evaluation and judging.

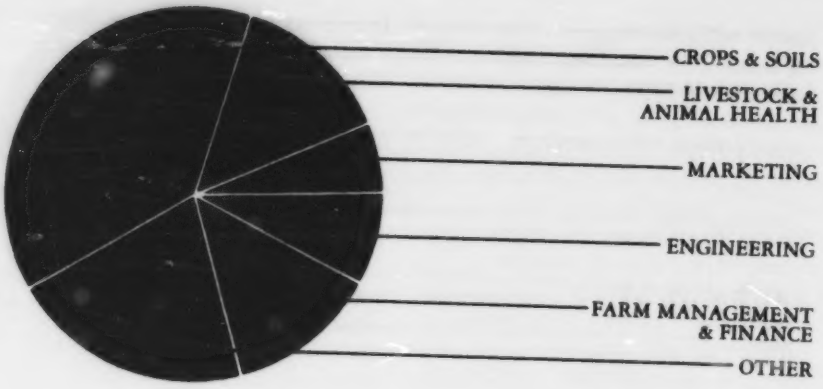
Municipal co-op seed cleaning plants received input and support from district agriculturists and department specialists. All 12 plants in the region experienced a successful year with good volumes. Five of the 12 plants received grant money to upgrade their facilities. Three Hills began to actively prepare to rebuild in 1989.

Agricultural service boards continued to provide services to the community targeted toward specific needs and situations. Specific weed control problems and soil conservation were the major areas of focus. Co-operation in a soil conservation project between four boards in the eastern portion of the region contributed to remarkable adoption of soil conservation principles. The persistence and diligence of other boards helped keep special weed problems like spotted and diffuse knapweed, and nodding thistle in check.

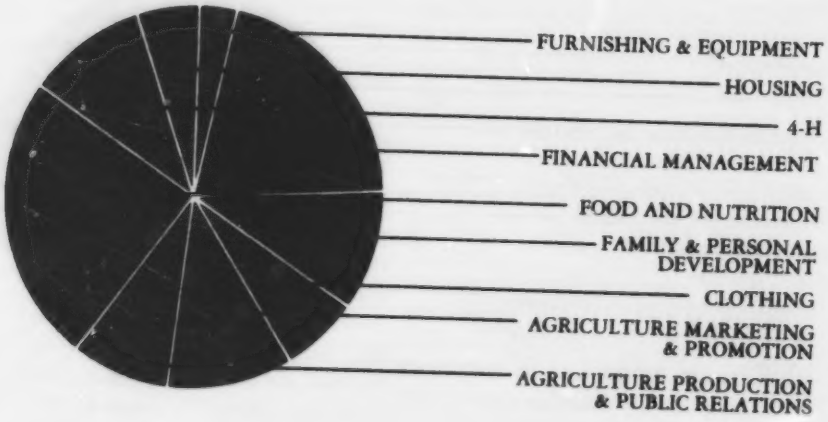
The green certificate farm training program had an average of 30 training farms with 37 trainees. Three testing sessions were held during the year and 29 certificates were awarded in recognition of training completion.

Agricultural Client Contacts By Subject Area

Number of Client Contacts	
Office interviews	33,635
Telephone calls	9,766
Farm visits	2,195
Educational programs	568
Attendance at programs	15,819



Home Economics Client Contacts By Subject Area



Region 3
North Central
Red Deer

Snow cover for the winter of 1986-87 was very light and winter temperatures remained mild. The unharvested 1986 crop overwintered well and was harvested in good condition. Spring conditions were quite dry, resulting in uneven germination.

Yields of cereals and oilseeds were average but quality was good. Canola and pea acreage increased significantly. Hay yields were below average and the wet conditions in July reduced quality. Pastures produced well and were grazed into November. There was increased interest in precision placement of fertilizer and in banding fertilizer into established forage stands using Vern knives. Surplus feed supplies resulted in prices of $25 per tonne hay and $1.20 barley. Producers put increased effort into marketing their crops.

With the dry spring and poor financial outlook, many producers did not spray portions of their crops or used cheaper, less effective herbicides. As a result weed infestations increased. Stork's-bill spread rapidly and is now a significant problem in the eastern half of the region.

Several agricultural service boards continued to co-operate on a major scentless chamomile program which included posters, media, hay inspection and spraying programs.

Insects were not a major hazard to crop production in 1987-88. Farmers became more concerned about safety issues when handling pesticides. District home economists continued to co-operate with agricultural service boards, agribusinesses and other department staff in the promotion of protective clothing and safety.

The average yields and lower prices continued to result in added financial hardships for many farmers and agribusinesses. This was compounded by the cash flow problems of the previous year, the large debt load of many farms and continued high costs of inputs.

Carryover of barley and canola was less than the previous year. Peas, as a substitute for soymeal, created considerable interest in the hog industry. Oats was a profitable "special crop" for some. Input costs again marginally increased from the previous year.

Calf prices were as high as $1.40 per pound. Heifer retention was above normal as cow herds expanded. Despite low barley prices, high feeder prices resulted in feedlots showing a negative margin. This combined with surplus feed grain and the Alberta Crow benefit offset program, resulted in a significant number of custom-fed cattle as lot owners sought to reduce risk. The open fall, extended grazing into late fall and a mild winter helped the cow-calf producer obtain reasonable profits. Prices were strong at breeding bull sales. All breeds sold well.

Hog producers generally had a profitable year. Profitable margins, long-term price stability with the tripartite program and lower feed costs resulted in expansion in the industry. New producers tended to build smaller sized units. Many existing producers, especially the Hutterite colonies, undertook major expansion. The industry continued to seek ways to reduce input costs.

The dairy industry remained stable. Quota prices remained relatively unchanged. Considerable concern was expressed by dairymen as to the potential negative effects of bovine somatotrophin on profitability. The issue of the dairy pools versus the independents in regards to milk purchasing and transportation continued.

1987-88 saw continued financial difficulties on many central Alberta farms. These were primarily in the counties of Camrose, Flagstaff and Stettler and were either young farmers or grain operations. Many of these leveraged their position in the late '70s and early '80s. Lenders reported that one to two per cent went bankrupt or sold out, that a further eight per cent of accounts are in serious difficulty and that 15 to 20 per cent of accounts are in arrears. Land began to sell towards year end. Most sales were cash purchases by neighbors. Land debt was the cause of serious financial problems for farms in difficulty. Lenders reported major financial worry and stress in their farm clientele. The Farm Debt Review Board helped resolve many of the situations.

Agricultural service industries and equipment dealers continued to experience declining sales and increased accounts receivable. Fertilizer dealers reported sales being down 10 to 15 per cent. Feed mills remained stable. A new mill began construction in Red Deer. Seed cleaning plants experienced another good year with total volume approaching 4.4 million bushels cleaned.

Agricultural processing industries continued to show stability.

The number of clients contacting the Agricultural Development Corporation (ADC) for new loans increased towards year end. The number of people seeking financial counselling continued at a steady pace.

Region 3 continued to target programming towards agricultural business unit development, infrastructure development and agricultural resource conservation. Specific focus was placed on increasing long-term profitability of primary producers and agricultural processors, fostering self-reliant industry organizations and promoting the conservation of Alberta's soil and water resources.

Individual financial counselling sessions were carried out by district staff and the consultants employed under the farm financial management initiatives program. Financial management continued to be a priority for the region with instruction of 344 short courses with an attendance of 4,904. These efforts were highlighted by five in-depth financial management courses conducted for 91 farm families. District efforts in financial/farm management increased from the previous year. District staff increased liaison with local banks and accountants and in some situations included them in resourcing programs.

1987-88 saw continued heavy demand on district offices for administration of various support programs.

A wide range of farm business management information was taught at educational events which focused on agricultural and home economics, finance, marketing and human resource management. Continued high demand was seen in the areas of finance, marketing and management.

Regional seminars included the Gear Up Financially courses, FutureSim (grain marketing), profitable crop management, dairy management, beef herd management, partners in farming, wills and estates, farm records and beef marketing. Two lender's seminars were held for central Alberta bankers in the areas of cow-calf and dairy. Lender involvement in resourcing financial management programming increased from previous years.

As a follow up to extensive consulting with the accounting industry, all district home economists made a major commitment to the priority program of farm records. Sixty-three farm families participated in the provincial Farm Family Expenditures Study (FAMEX).

The promotion of Alberta food products, as a facet of district programming, continued to expand. All district home economists participated in the rural agricultural products promotion (RAPP) program. Through in-store food demonstrations, draws, community events, educational programs and news releases, thousands of people were introduced to the variety and good taste of Alberta processed products. The region worked with millers and bakers in consumer testing triticale flour.

The six conferences planned for farm women were well attended.

Publications that were developed included newsletters, joint publications with agricultural service boards and forage associations, numerous media articles, and several production cost budgets that were used in financial consulting with farm businesses and banks. Computer software was developed and used extensively to assist in counselling farm businesses on a wide range of management practices. District home economists and district agriculturists continued to utilize local media, radio and television in their education programming.

Several district and regional staff members continued to be heavily involved in field-applied research projects. Work with agricultural service boards and forage associations continued to expand in 1987-88. More than 75 applied research projects were conducted with help from the above mentioned agencies and the on-farm demonstration program.

District home economists co-operated with the Lacombe Research Station on consumer acceptance studies for both lamb and beef.

The upgrading of intensive livestock facilities continued. New construction and renovation of hog barns resulted in numerous requests being directed to the region's engineering staff. Continued efforts were made in the area of building troubleshooting, livestock environments, water supply systems and grain drying/handling systems.

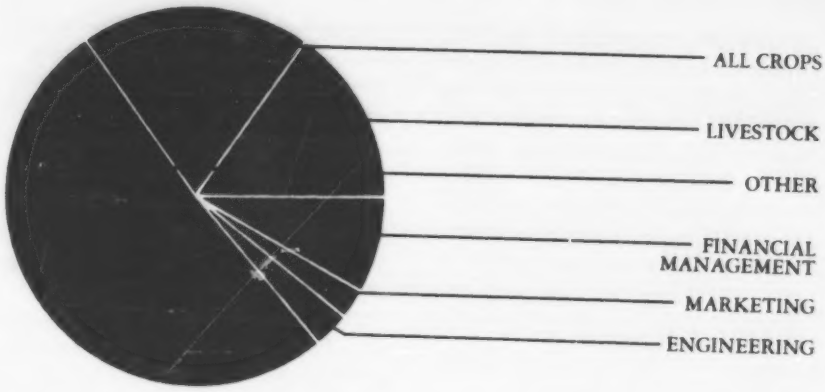
Agricultural Client Contacts By Subject Area

District agriculturists continued to provide input into subdivision requests and siting of intensive livestock facilities. District staff members attended 737 meetings as a result of their involvement with agricultural societies, seed cleaning plants, rural crime watch, agricultural development committees, forage associations, 4-H clubs, agricultural service boards and further education councils. Ten agricultural service boards were active in the region. The green certificate program involved approximately 60 farm trainers and 78 trainees. Staff provided numerous consultations on farm labor in addition to the green certificate program.

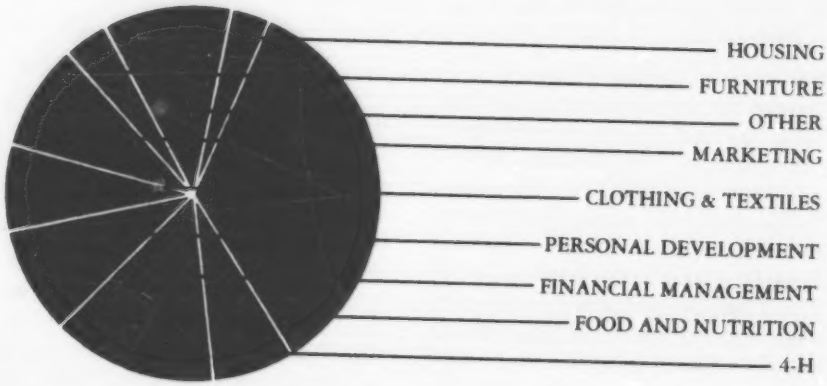
There were 137 4-H clubs (2,180 members), 14 district councils and two regional councils active in 1987-88. Efforts mainly focused on leadership development of 4-H leaders and assisting them in developing programs for their members.

The region, with its central location, continued to offer excellent opportunities for agriculture shows and conferences. District and regional staff were called upon to resource large provincial events such as Agri Trade, Grow Show and Pork Congress.

Continued financial pressures, low market prices on the grain side and weather, continued to challenge staff in providing in-depth practical management information to an increasingly sophisticated farm business clientele. Farm family interest in stress management, coping skills, farming the markets, financial management, supplementing farm income, risk management and seeking ways for improved farm profitability provided challenging opportunities for future programming.



Home Economics Client Contacts By Subject Area



Number of Client Contacts	
Office interviews	41,134
Telephone calls	46,264
Farm visits	3,314
Educational programs	964
Attendance at programs	26,998

REGION 4
Northeast
Vermilion

The 1987-88 year again challenged the resiliency and management abilities of farmers in the northeast region. Lower grain prices and grain transportation problems offset improved prices and excellent marketing opportunities for canola. Livestock prices were generally very good, although pork prices dropped off during the year.

The spring of 1987 saw an early green-up which was followed by an unseasonal late May snowstorm. After this, conditions remained extremely dry until the end of June. In July and early August, rainfall was received across the region and resulted in 1987 crop yields and quality that were much better than in 1986. The very mild winter of 1987-88 was a boon for livestock operators, particularly beef producers. A considerable amount of feed was carried over at the end of winter.

Government payments to farmers through the various financial assistance programs made up a large percentage of net farm income in 1987-88. Land prices continued to decline but sales of land increased during the year. Many farms continued to experience serious financial problems, mainly related to debt. Livestock producers generally were in an improved situation at the end of the year.

While continuous/minimum tillage cropping increased in popularity during 1987, the acreage of summerfallow increased slightly because of the poor crop price outlook and shortages of operating cash. No major insect or disease problems occurred during the year, and weed problems were average. An extension emphasis on combating the virulent blackleg disease in canola in the eastern part of the region was continued.

The outlook for pasture and hay crops was quite good in the early spring of 1987 but quickly deteriorated. No rain and very warm weather in June resulted in almost no first cut of hay and very poor pasture conditions. Rain in July and early August produced excellent second cut hay and much improved pastures. With a very dry warm fall, pasture conditions deteriorated very quickly again. Significant overgrazing of many pastures occurred by the end of the season. A shortage of livestock water was reported from some districts.

Forage seed was in short supply during the year. High prices led to an increase in interest in forage seed production for 1988. The hay listing service for the northeast region operated for the fourth year with over 50,000 tons of feed included in almost 500 listings.

Interest in forage production and management increased during the year. Grazing management improvement was a priority with many producers. Numerous trials and demonstrations using annual and perennial forages (varieties, grazing, fertility) were carried out by staff as part of meeting the department's goal of increasing the long-term profitability of primary producers. The Lakeland Forage Association held their second hay auction at Bonnyville in 1987 with mixed success.

Market prospects and initial prices played a major role in farmers' cropping decisions. Wheat and barley acreage decreased somewhat while canola increased substantially. Of special significance was the increase in production of pulse crops, especially field peas. Production and management problems experienced in previous years resulted in a decline in the acreage of lentils and fababeans.

Soil conservation showed up as a more visible concern of producers during the year. Severe soil drifting highlighted the problem to many farmers. Salinity continued to increase across the region as a major problem, mainly due to the continued below normal annual precipitation. Another growing concern for farmers was in regard to soil compaction. Many informal trials of deep ripping were carried out by producers, along with several staff-managed demonstrations.

Livestock producers generally had a very good year. Hog producers led the way with record high prices for pork at the start of the year, accompanied by very low feed prices. Pig numbers in Region 4 increased by 10 to 15 per cent in 1987-88. Although market prices dropped during the year, most hog producers were still able to show a profit at year-end. Producers in the region showed increased interest in obtaining information from other areas of the province. A group of 35 producers spent a day touring the O.S. Longman Building laboratory facilities and the swine facilities at the University of Alberta.

The beef herd buildup which had started in 1986-87 continued in 1987-88. Excellent calf and feeder prices coupled with low feed costs encouraged producers to expand. Near record prices were paid for feeder animals during the year which resulted in very small and sometimes negative net returns. Much of these higher feeder prices were caused by grain producers buying cattle to use up surplus grain stocks.

Beef herd management showed up as an area of increased interest for producers. Interest in the Beef Production Manual was quite strong in the region. Three new beef production clubs were formed during the year.

Dairy production remained fairly stable during the year with a decrease of one dairy farm for a total of 154. Over 50 per cent of the dairy producers in the region were enrolled on a milk recording program. Milk quality improved with a 30 per cent decrease in quality problems recorded. Milk quota prices increased during 1987-88. With only a few exceptions, dairy producers in the region improved their financial position during the year.

Client concerns with financial security, maximizing economic production and minimizing input costs highlighted the focus of district staff activities in 1987-88. Administration of financial assistance programs continued to absorb a substantial portion of total staff time, although the majority of this work was handled by the district office secretaries.

With the administration of the agricultural assistance programs on a more stable footing, district agriculturists were able to reduce their involvement by almost 60 per cent. As a result they were able to focus much more attention on areas that more directly affected the long-term viability of producers in their district. Client contact increased 67 per cent for commercial crops, 107 per cent for livestock, and 69 per cent for financial management during the year. The number of extension meetings and courses held in 1987-88 was similar to 1986-87.

Financial aspects of farm decision making were a major focus for all district agriculturists. Increased emphasis was placed on helping clients to understand the financial implications of their production and management decisions. Contacts in this area were over 5,200 in 1987. Seventy-six extension meetings and courses were delivered to farm clients.

District home economists placed special emphasis on assisting farm families to achieve their economic objectives. To this end, they continued to incorporate sound financial management principles in all extension programs offered to clients. District home economists participated in Gear Up Financially courses, along with district agriculturists and course instructors. The most significant areas for client contact for district home economists were foods and nutrition, family and personal development training, clothing and textiles, and financial management. As with district agriculturists, a significant decrease of involvement in administration of the financial assistance programs occurred for district home economists.

Work by district home economists with clients in the area of financial management resulted in 3,600 individual client contacts. Ninety-two extension meetings and courses were delivered in this area.

District home economists maintained their close association with agricultural service boards and 4-H clubs during the year. They participated in 52 agricultural service board and 98 4-H meetings and special events. As well they worked closely with local agricultural societies and further education councils.

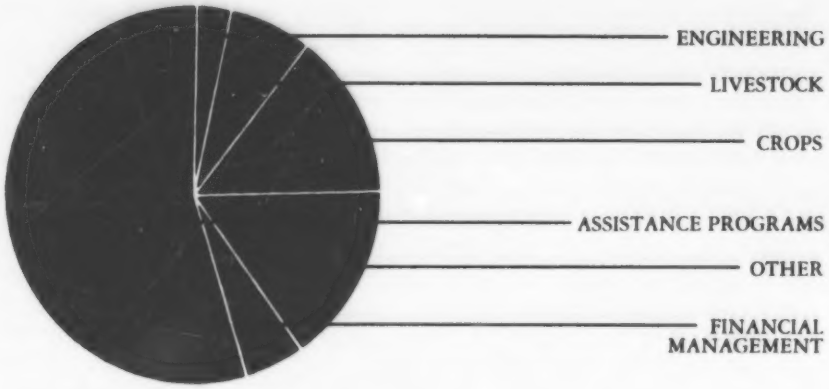
The farm financial management initiatives program was again delivered to farm families in the northeast region. Three Gear Up Financially courses were held with over 30 farm families involved. Farm record keeping courses were delivered in six locations with the support of both district agriculturists and district home economists. In-depth financial consulting services were provided to 29 families. A high level of activity by the Farm Debt Review Board contributed to a decline in demand for the financial consulting service.

Regional specialists were heavily involved in providing detailed information and services to district staff and clients. Production, marketing and financial management were the major areas of involvement. Over 400 extension meetings and courses were resourced by regional specialists during the year.

Engineering information and services were focused mainly on livestock facilities and equipment, cropping machinery management and farm fuels. The brief price war in farm fuels in 1987 prompted a rush of inquiries about fuel handling and storage. Farm water supply was an area of high activity, especially in regard to the dugout pumping program and installation of new water facilities.

Major changes in the delivery system for the green certificate farm training program occurred in 1987. The regional farm training specialist at Vermilion took on responsibility for all of Region 3 as well as Region 4. The number of training farms rose from 44 to 100. Trainee numbers during the year ranged from a low of 89 to a high of 118. In the northeast region, 20 Level I and seven Level II certificates were awarded to trainees.

Agricultural Client Contacts By Subject Area



4-H activity in the region remained relatively constant. A slight decrease in the total number of clubs was offset by an increase in the number of 4-H members. Overall, a three per cent increase in membership occurred in 1987-88. Beef, light horse, crafts, and clothing were the most popular project areas.

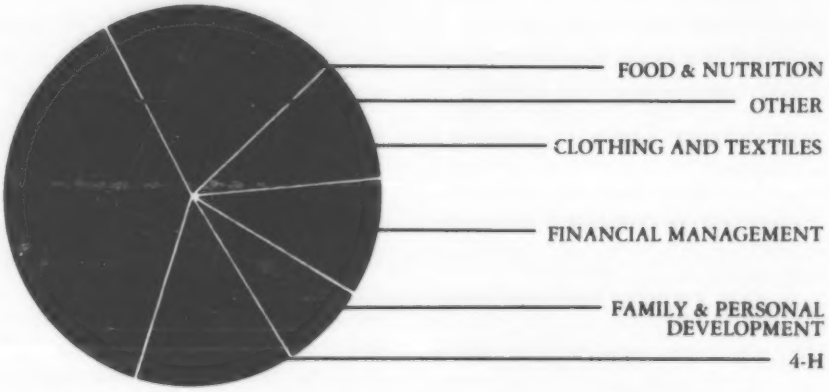
Interest by farmers in the on-farm demonstration program increased during the year. Fifteen new projects and 12 renewals were recommended for approval by the regional review committee. Total funding for these projects exceeded $90,000. A substantial increase in applications from producer groups and clubs was noted during the year.

Lending activity involving the Agricultural Development Corporation (ADC) decreased 23 per cent in terms of loan requests submitted for approval.

District staff represented Alberta Agriculture at nearly 800 advisory and board meetings during 1987-88. The major groups involved were agricultural service boards, seed cleaning plant boards, 4-H councils and clubs, further education councils and agricultural societies.

A close co-operative working relationship was maintained with agri-businesses across the region. District agriculturists worked closely with farm input suppliers, veterinarians and agricultural chemical companies. District home economists assisted grocery retailers with product promotions. A similar close relationship existed with producer groups and associations — especially forage associations and producer clubs.

Home Economics Client Contacts By Subject Area



Number of Client Contacts	
Interviews	46,143
Telephone calls	42,578
Farm visits	3,126
Educational programs	871
Attendance at programs	28,287

Region 5
Northwest
Barrhead

Annual crop yields in 1987 averaged about 95 per cent of the recent five-year regional average. Quality of crops was generally very good, as excellent harvesting weather prevailed throughout September and October. A long open fall continued, allowing for completion of a backlog of building projects, fencing and general repair jobs.

Precipitation in the spring and early summer of 1987 was light and scattered. Except for a widespread blizzard in mid-May, which blanketed the entire region, no other general precipitation of significance occurred until late July. These later rains arrived in time to fill annual crops and provided moisture for a good second cut of forages.

First cut forage crops were light but both the first and second cuts were baled in excellent condition. The open fall resulted in a considerable amount of straw being baled as well. This, coupled with a very mild winter, resulted in lighter feeding requirements for beef herds and a fodder surplus.

A summer storm to remember struck the Edmonton area on July 31. A combined tornado and series of hailstorms left a swath of destruction amounting to over $10 million in crop losses and $1.5 million in damage to farmsteads. Damage to machinery and loss of livestock also occurred.

The rural areas hardest hit were in the vicinity of Calmar, Beaumont, Stony Plain and St. Albert. All of these districts had large areas where 100 per cent hail damage occurred. Most losses were covered by a combination of insurance and disaster assistance.

Continuing lower grain prices in 1987 reduced net returns on many annual crops to below break even levels. Canadian Wheat Board initial prices for barley averaged about $1 per bushel at most delivery points throughout the region. This would be the equivalent of 30 cents per bushel based on 1971 dollars. Similar scenarios were the case for wheat and canola prices.

As a result, payments received by farmers from the special Canadian grains program and the western grain stabilization program were a significant source of income in 1987-88. Depending on the combination of crops grown and the size of the farm, receipts from these programs were approximately $15 per acre and $35 to $40 per acre respectively. The significance of the western grain stabilization payout and anticipation of future payouts affected the pricing of local barley. Many local buyers who were not "designated purchasers" under the western grain stabilization program, found it necessary to pay a substantial premium.

Cow-calf enterprises again enjoyed a very strong market for calves in 1987 with fall prices ranging from $1.15 to $1.35 per pound. Optimism in the industry was evident as producers typically paid from $800 to $1,100 for bred cows and up to $1,300 for crossbred cows with calf at side. Cattle feeders earned good profits in early spring with prices as high as $93 per hundred weight. This profit level was not maintained throughout the year, necessitating a 1987 fourth quarter payment of $17.37 per head under the tripartite red meat stabilization program.

Hog prices were strong during most of 1987 but started to drop in the last quarter. Still the high prices, combined with low barley prices, resulted in another year of excellent profits for most pork producers. Lower prices in the first quarter of 1988 resulted in a $3.14 per head tripartite payment.

The dairy industry continued to be one of the most stable aspects of the regional agricultural economy. There was a normal turnover of dairy farms with overall numbers declining slightly. Whereas in 1986 the influx of replacement dairy farmers was mainly from British Columbia, 1987 saw many dairymen from Holland take over operations.

Profits on most properly managed dairy farms remained good throughout 1987. Producer returns for fluid milk rose from $47.15 to $48.13 per hectolitre. Manufacturing milk prices rose from $40.67 to $42.36 per hectolitre for class II milk and from $38.88 to $40.56 per hectolitre for class III milk.

Overall, the 1987-88 year was a difficult one to generalize in terms of cash flow and debt-servicing problems. While many straight grain farmers experienced difficulty, the majority of cow-calf, hog and dairy enterprises had profitable years. The grain farmer's demise of low feed grain prices again proved to be the livestock producer's boon. Various provincial and federal stabilization and special support programs helped both groups.

Numerous consultations with individual farm families were made regarding financial management, credit and marketing. In total, 15,810 contacts were made by district staff in these areas. Economic implications continued to be stressed in all extension activities.

Regional cost of production data was collected for the second and fifth year, respectively, for crop production on Grey Wooded soils and for regional cow-calf operations. In addition, a major production cost study was completed for field peas and four crop cost bulletins covering key crops in the region were completed. Information gained from these ventures assisted producers and staff to make more accurate management assessments.

The farm financial management initiatives program continued into its fourth year. The financial counselling component of the program resulted in a further eight major consultations being done by hired consultants. These consultants augmented the efforts of district and regional staff who completed 106 detailed financial evaluations with producers. A second component of the program, the Gear Up Financially courses, was successfully continued for the third year. Six courses were offered throughout the region to a total of 59 farm families.

District staff attended 873 meetings and special events involving agricultural fairs, seed cleaning plants, rural crime watch groups, agricultural development committees, further education councils, various commodity and producer groups, 4-H events and agricultural service boards. A total of 987 news columns were written, 147 radio reports delivered and 19,299 publications distributed.

Regional programs included two major seminars jointly sponsored with the Western Barley Growers and the Alberta Canola Growers. These sessions concentrated on transportation, free trade, varietal updates and various marketing alternatives for barley and canola. Other regional programs included two forage seed outlook seminars jointly sponsored with the Pembina and West Central Forage Associations. In addition, a series of three tax reform workshops were organized for regional bookkeepers and accountants. Two sessions on beef cow management were regionally co-ordinated with the Alberta Cattle Commission.

A program entitled "High Quality Forage for Dairy Cattle" was jointly sponsored with the dairy division. Several regional and district staff were also heavily involved in planning, organizing and promoting the Alberta Beef Symposium, held in conjunction with the beef cattle and sheep branch and the Alberta Cattle Commission. In addition, a regional program on swine management and health was developed with the Alberta Swine Breeders' Association, and an in-service on pesticide use was designed for regional dealers and agribusinesses.

The regional livestock newsletter entitled *Beef 'n' Bacon* was continued for its third year. Eight monthly issues were distributed from October to May to 2,500 regional livestock producers. This project, designed to provide up-to-date information on nutritional and management matters continued to be extremely popular. An additional section was added that highlighted topics pertaining to the use of beef and pork in human diets.

Several 4-H workshops were conducted for both members and leaders to develop program planning, leadership, and public speaking skills, and a regional 4-H homemaking competition was held for the first time. Nine sub-regional and district farm women's conferences were held emphasizing family and personal development, financial management, nutritional concerns and legal issues.

The regional home economics newsletter continued to be produced with three issues being published and distributed to 6,100 farm families. These issues focused on matters pertaining to taxation reform, stress, nutritional issues, Alberta products, and time and financial management.

A regional farm accountants survey, representing 4,210 of the region's farm units, provided information on record keeping needs and current practices. This was useful in determining educational needs of clients.

Explore Nutritious Alberta was introduced as a major provincial nutrition education program for schools and was well received. The final year of the rural agricultural products promotion (RAPP) program was completed with eight projects throughout the region.

Several district and regional staff members continued to be heavily involved in demonstrations and field-applied research projects. Work with agricultural service boards and forage associations in this regard was further expanded in 1987. The on-farm demonstration program continued to be extremely popular and 24 new and second-year projects were submitted for review. The majority of them were related to pasture, special crops and forage management.

In the engineering field, most requests continued to be for information on adding to existing facilities and improving already established operations. There was an overall low-cost approach to requests for information on farm structures, materials handling and machinery selection. Engineering staff and beef cattle specialists collaborated on building three livestock handling models, which were widely used and very popular with producers.

Provincial and federal government programs resulted in a further expansion and improvement in the region's water supply. A total of 106 dugouts were completed in 1987-88 and 402 wells were developed. The capacity of water supply systems continued to be about 30 per cent greater than in previous years, in keeping with efforts to properly size water capacity to increasing farm requirements. Priority was also given to proper layout and site selection to facilitate natural filling of dugouts.

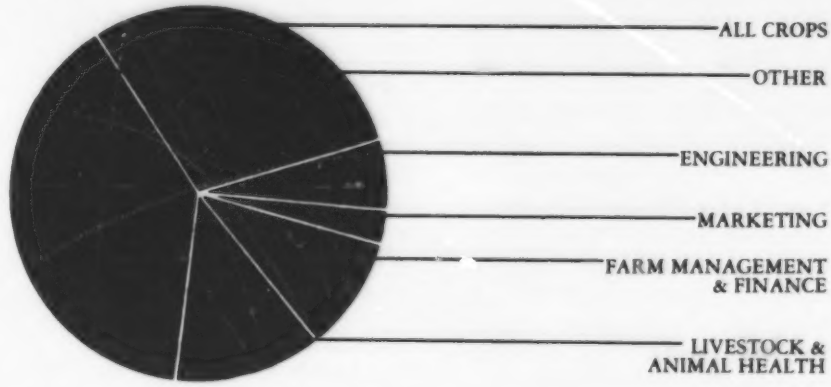
The total number of Agricultural Development Corporation (ADC) loan submissions in 1987-88 was 110. This was down from the previous year (136) and reflected a general softening in demand for credit. The total dollar value of loan submissions was $10.5 million, down from $14.1 million in 1986-87. Properties owned by ADC increased slightly to 62 (up from 57 in 1986-87) but accounts in arrears decreased from 34.4 per cent to 28 per cent.

The green certificate farm training program remained very active in 1987-88. This program continued to train at three levels: a first level for farm employees, a second level for foremen and a third level for farm managers. In total, 37 Level I and 10 Level II certificates were awarded in 1987-88, primarily in dairy and swine enterprises. These figures were up substantially from 1986-87.

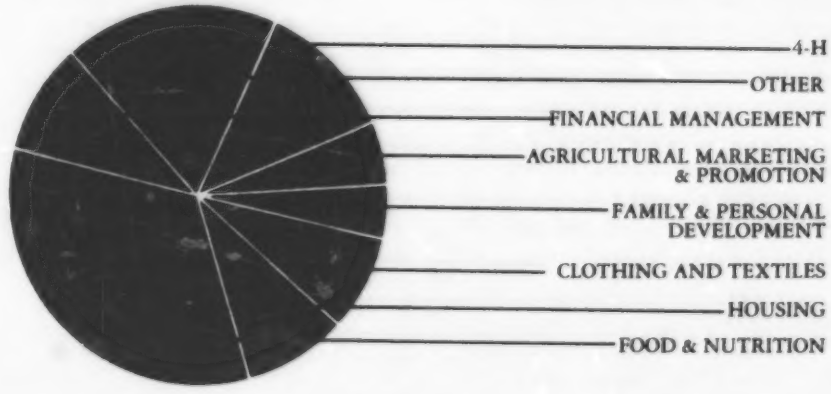
The number of 4-H clubs in the region decreased slightly to 89. Total membership was 1,341 guided by 470 leaders. The trend continued towards multi-project clubs with beef, light horse, foods and clothing clubs being the most popular.

Number of Client Contacts	
Interviews	50,122
Telephone calls	46,155
Farm visits	4,414
Letters	6,779
Educational programs	867
Attendance at programs	21,185

Agricultural Client Contacts By Subject Area



Home Economics Client Contacts By Subject Area



Region 6
Peace River
Fairview

Excellent weather throughout most of the 1987 crop year helped offset the serious impact of continued low grain prices. Spring seeding went smoothly, as did crop spraying. Unusually high rain fall in late July and early August (up to 12 inches in some locations) caused severe flooding, dugout pollution and siltation, and some crop loss. Although disaster registration was announced, the net effect across the region was the replacement of much needed soil moisture reserves and excellent regrowth of fall pasture and winter annual crops. A long dry spell from late August through November allowed harvest to be completed by early October. Very little grain drying was necessary. The long open fall allowed completion of fall field work and the construction of many livestock handling facilities.

Wheat acreage remained high for the fourth consecutive year. Yields were good at 30 to 40 bushels per acre with mainly No. 2 western Canada red spring grades. Barley suffered from a combination of cold and wet weather during the third week of May which caused early infections of root rot. Up to two-thirds of barley acreage was affected resulting in yields of only 25 to 35 bushels per acre.

Canola yields were up throughout the Peace region. An estimated 22 bushel per acre crop represented the highest average yield to date. Oat yields were slightly above average at 65 bushels per acre. Quality was excellent; plump kernels and excellent open harvest weather assured grain and oilseed producers of high quality seed for 1988.

Forage seed prices remained relatively high, stimulating interest in forage seed production. Total forage acreage for seed, alfalfa dehy, hay and pasture was somewhere in excess of 700,000. Two forage seed cleaning plants renovated and upgraded their facilities and the feasibility of establishing other forage cleaning facilities was examined in several districts. Four alfalfa dehydrating plants continued to operate in 1988. Creeping red fescue averaged approximately 200 pounds per acre. Bromegrass crops were variable with yields ranging from 100 pounds per acre to 500 pounds per acre. Because of high bromegrass prices many fields other than regular seed fields were harvested for seed.

Interest in field peas and winter wheat continued to increase dramatically. Estimated pea acreage doubled to 12,000 acres in 1988. Total winter wheat harvested in 1987 was estimated at 11,000 acres. Interest in saskatoon production was high with a substantial number of new plots planted in 1987. The Fruit Growers Co-operative at Hythe built a nitrogen quick freeze plant capable of packaging fresh or frozen berries. A local winery continued to use substantial amounts of the saskatoon harvest for its increasingly popular saskatoon wine.

Despite poor market opportunities, fallow acres dipped to a low of 574,000 acres. In the 1987 cropping season fertilizer use fell 10 per cent, primarily because of low commodity prices. In the early part of 1988, however, this trend seemed to reverse with a 30 per cent increase in sales reported by major dealerships. The tight economics of grain farming stimulated an increased interest in placement methods, such as banding and anhydrous ammonia, and a more pro-active approach to the choice and use of fertilizer. This was evident in the large increase in soil sampling across the region.

Interest in soil conservation was high. In addition to one major on-farm demonstration project at Bay Tree, three major group conservation projects, which included zero and minimum tillage assessment, were planned by the Smoky Applied Research Demonstration Association, a Nampa Zero Tillage Association, and a Spirit River Zero Tillage group.

The 13 agricultural service boards in the region participated in a major regional effort at providing guidelines for weed control. Staff provided input in developing a regional weed control brochure, resourcing a weed enforcement conference, and assisting individual boards and fieldmen in their pro-active approach to weed control. The program encouraged the use of extension as opposed to enforcement, as a first line of attack in controlling weeds.

The Alberta Canola Growers Association, the Canola Council of Canada, individual producers, and extension staff worked together in a major awareness campaign concerning blackleg in canola. The program included information on disease symptoms, potential losses, economic consequences and recommended measures to prevent its introduction into the Peace region.

Insects pests were generally not regarded as a serious problem in field crops in the region.

In 1987 development work continued on the 32-acre regional research farm site donated by the County of Fairview. A permanent building for housing plot samples and threshing equipment was installed. Permanent survey and historical plot inventories were put in place.

Interest in livestock production continued to increase in 1987-88 with beef cattle numbers up by a larger percentage in the Peace region than anywhere else in Alberta. Continued strong calf prices encouraged cow-calf expansion. Also, a search for alternatives in the face of very low grain prices caused many farmers to re-examine the potential of cow-calf operations. Because of a lack of facilities, a major part of beef extension work was devoted to a program of designing corral layouts for farmers and ranchers. Approximately 40 of these facilities were designed for interested cattlemen over the last two years.

The first Peace region bull test was completed at the Fairview College Bull Test Station followed by a successful sale. A total of 109 bulls entered test and 41 were sold at an average price of $2,068.

Fall cattle sales were held directly off pasture at Bear Canyon and High Prairie. Scales were installed at Manning, Three Creeks and Blueberry Mountain grazing reserves to stimulate an increase in direct sales off pasture. The interest in retaining calves in the Peace resulted in several new backgrounding operations in the region this year. Experienced cattlemen also expanded their custom backgrounding operations.

Breeding ewe numbers showed a marginal increase over the past year. The Peace River Lamb Association (PRLA) continued to provide a non-profit lamb and wool marketing service to British Columbia and Alberta sheep producers. Over 3,000 lambs were marketed to Innisfail and Victoria with a 0.2 per cent transit death loss. PRLA initiated a producer-backed insurance scheme for transit death loss. An annual seminar, jointly sponsored by PRLA and Alberta Agriculture, was held in Dawson Creek. It was well attended by producers from both provinces.

Feed supplies were more than adequate for the region throughout the year. Because supplies were good elsewhere in the province and hay prices were poor, very little hay was moved outside of the region.

Office space and secretarial support was provided to three forage associations and the Smoky Applied Research and Demonstration Association.

Beef producer committees helped design the program for Peace Country Beef Cattle Days held simultaneously at Fairview and Valleyview. The program was very successful with more than 200 producers attending. Following a ranch tour to B.C.'s Nicola Valley, the total beef concept continued in the Fairview, Spirit River, Debolt and Valleyview areas. Generally, beef extension activities increased in 1987-88 in response to much stronger demand.

The high hog prices through most of 1987 resulted in a profitable year for swine producers. While some herds had outstanding production levels, the general size of swine herds in the Peace (12 per cent of provincial producers running only two and a half per cent of total sows) maintained the demand for basic extension work.

The December 31 announcement by the federal government that the Canadian border would be closed until 1989 to all imports of American bees, caused concern in the Peace region bee industry. Less than 50 per cent of producers overwintered hives in 1987-88. Payouts under the special Canadian grains program and the Alberta beekeepers disaster assistance program, which totalled more than $18 per hive, assisted producers in the region to purchase bees elsewhere in Canada, New Zealand or Australia, and to establish overwintering facilities for coming years.

The Gear Up Financially course was again well accepted in the region. Approximately 100 individuals took part in six courses taught at different locations across the region. Satisfaction was high and almost all participants indicated they would strongly recommend this intensive course to their neighbors. With strong referrals from staff in the region, use of the financial consulting program increased dramatically in the region with approximately two per cent of farmers in the Peace region receiving individual, in-depth consulting.

Interest in record keeping and accounting courses remained high. Under the guidance of the regional economist and regional family management specialist, district home economists taught these courses in many districts for the first time.

Farmers continued to request assistance from the regional farm economist in setting up computerized accounting systems. Problems ranged from configuring program discs to setting up a chart of accounts. A proposed federal government change from cash accounting to modified accrual accounting caused significant concern among farmers in the region. A number of seminars were hosted by Alberta Agriculture to help farmers assess the impact of this change on their operation.

A computerized hedging game, called FutureSim, was introduced to producers at four locations in the region. The regional marketing economist devoted a substantial portion of his time to addressing forage seed marketing. Several introduction to marketing sessions were held for farm women.

Many producers were interested in taking advantage of milling oats and "pony oats" markets as CWB initial prices were high. Two marketing clubs operated in Berwyn and Fairview in 1987-88.

The takeover of Northern Alberta Rapeseed Processors crushing facility at Sexsmith by Alberta Terminals Limited, helped sustain the presence of a major market outlet for canola. Alberta Wheat Pool opened a 3,100 ton, off-track elevator in Valleyview in 1987; total grain shipments were in excess of 7,000 tonnes.

Water pumping equipment was used to fill approximately 120 dugouts for domestic and livestock use. The dry autumn and winter of 1987-88 increased concern over drought.

Low returns in the grain industry discouraged investment in capital facilities in the region. Most consulting work done by the regional engineer on grain storage and handling was to improve handling around the grain dryer.

The regional soil and water engineer devoted the majority of his time to inspection, survey and design work associated with the soil conservation area program (SCAP) and the farmland development and reclamation program (FDRP). Eighty-eight new FDRP projects were inspected and 64 were surveyed, while 44 new SCAP projects were inspected and 27 were surveyed. This region registered half of the provincial total for these two programs. Several agricultural service boards implemented application fees of $100 to $500 to ensure SCAP and FDRP applicants were fully committed. Service boards expressed concern at the cost of drainage of farmland since, in many instances, the cost of drainage is higher than the value of the farmland developed. As a result, very few new projects were undertaken in 1988 and efforts were made to clear up the backlog of uncompleted projects from previous years.

4-H membership and club numbers for 1987-88 held constant with 971 members in 45 clubs. Beef and light horse clubs continued to have the largest membership. A number of regional programs were sponsored during the year, including a canoe trip called Peace River Challenge, a regional camp at the David Thompson site, a regional fair at Lac Cardinal and a "Way with Words" weekend.

Green certificate program activity remained relatively constant in the region. Testing at Fairview College became a permanent part of the regional program. A total of 10 Level I certificates, one Level II certificate, and three Level II (practical only) certificates were issued to trainees in the region.

The single largest demand on district agriculturists' time continued to be the financial assistance programs which created an additional 11,335 office interviews and 3,838 phone calls. District agriculturists and district home economists also participated in a major Farm Credit Corporation survey of approximately 70 farmers in the region.

District agriculturists continued to host major sub-regional seminars. Canola seminars at Sexsmith and Peace River drew attendance of 160 and 150 respectively. Major forage seed marketing and production seminars in Grande Prairie and Peace River areas drew a combined total of 300 farmers. Each district agriculturist made an average of 180 farm calls over the past year. They also continued to provide agricultural commentary for subdivision applications and sub-basin water management studies. An increased portion of their time was devoted to on-farm demonstration projects and agricultural service board plots.

Five district home economists were active in the new Explore Nutritious Alberta program. School boards and administrators were very receptive and assisted in setting up 11 teacher in-services. A total of 149 teachers representing 35 schools were instructed in both nutrition and Alberta food products.

Farm Women's Conference '87 used the theme, "The Farm, The Family, The Future" to attract the maximum 250 registrants.

Successful rural agricultural products promotion (RAPP) projects ran in Spirit River and Valleyview.

District home economists considerably increased their work in farm and home financial management. Farm calls and educational sessions in record keeping, decision making and other aspects of finance were popular with farm families. The Gear Up Financially program was the vehicle for much involvement in this area.

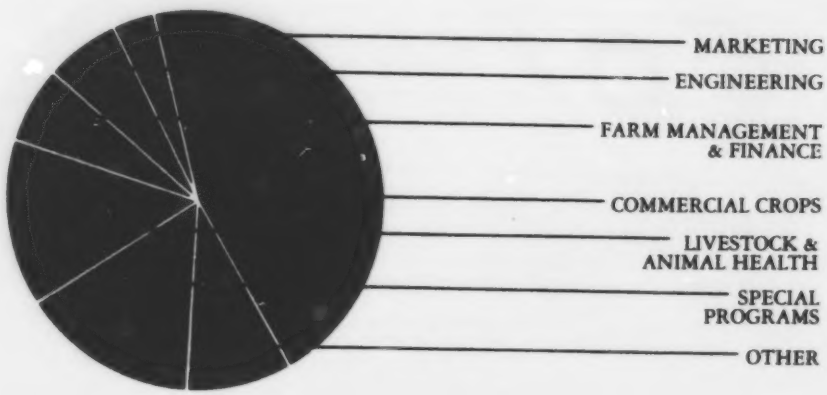
As producer interest increased sharply in economics and finance, forage crops, beef cattle, and alternatives to the traditional grain economy, an increase in educational programs took place. Staff also published 602 newspaper columns, distributed 5,501 district and regional newsletters, and made 579 radio broadcasts. Staff continued to provide advice to agricultural service boards, agricultural development committees, 4-H councils, seed co-op boards and further education councils, attending a total of 662 additional meetings to do so.

Although Agricultural Development Corporation (ADC) lending activity again declined over the year, it was offset by an increased amount of work in loan revisions, quit claims, foreclosures and property management. At year-end ADC held 97 properties representing approximately 300 quarter sections. Land prices dropped again in 1987-88 and were 50 to 75 per cent lower than five years ago. Land rental rates remained at a lower stable level.

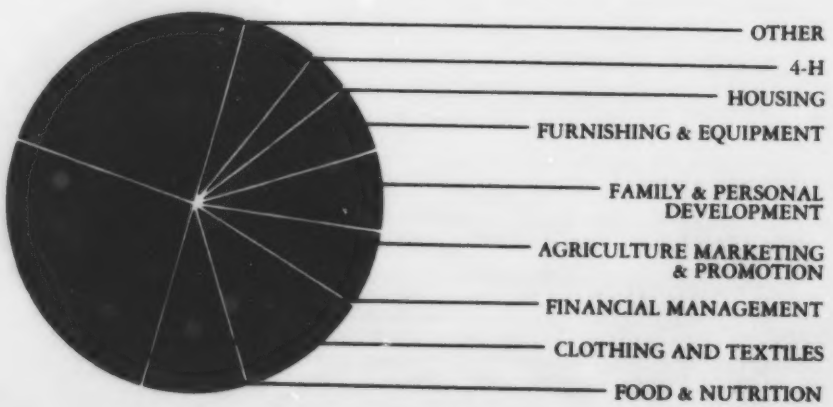
Off-farm employment was slightly improved in 1987-88 as a result of an increase in activity in the oil patch. ADC's recognition of the need for continued off-farm income encouraged many beginning farmers to continue their ADC-financed farm operations. The presence of much low-cost land on the market significantly slowed the rate at which land was cleared and broken in the region.

Number of Client Contacts	
Office interviews	29,419
Telephone calls	29,719
Farm visits	3,092
Educational programs	677
Attendance at programs	12,096

Agricultural Client Contacts By Subject Area



Home Economics Client Contacts By Subject Area



1987 - 1988
MARKETING

The marketing sector of Alberta Agriculture continued to provide assistance to producers, processors and marketers in response to the needs of the agricultural industry of Alberta. Developmental and support services were provided to processors and marketers of agri-products with the objectives of adding value and improving the marketability of products of primary agricultural producers. Concurrently, efforts continued to be made towards securing and enhancing market access for Alberta's agriculture and food exports through appropriate adjustments in domestic and international commercial policy. The objectives of the marketing sector were fulfilled by:

- identifying and evaluating opportunities discovered in domestic and international markets;
- coordinating and supplying services in response to market opportunities;
- liaising with and utilizing private and public sector resources;
- developing marketing strategies in response to the needs of private enterprises;
- providing mechanisms for private sector input into departmental policy and planning;
- expanded policy and services in support of the development of liberalized trade, increased market orientation and the operation of the principal of comparative advantage;
- in consultation with Alberta industry, government departments and other provincial governments, an effective position and input into the federal government on the Canada U.S. Free Trade Agreement was provided;
- renewed and extended financial support programs to the development of rural and urban food, fibre and processing, value-adding, research and marketing industries in Alberta.

Through this Eagle Policy, secretariat, agricultural development, market development and marketing services, the marketing sector provided a wide range of programs and services in support of Alberta's agri-food industry during the 1987-88 fiscal year.

MARKET DEVELOPMENT DIVISION

The market development division, responsible for both domestic and international market development, continued to provide consultative and financial assistance to Alberta marketers of agricultural commodities, processed food and feed products and technical services (consulting).

Alberta Agriculture's marketing efforts were aimed at identifying and developing value-added food product markets in the U.S., Japan and other countries, through a co-operative government/industry effort. The achievement of a Canada/U.S. Bilateral Trade Agreement provided Alberta's agriculture and food industry with a unique opportunity to further increase its U.S. market penetration.

During 1987, Alberta remained a significant supplier of export commodities including wheat, barley, canola, cattle, swine, animal feeds, hides and skins. Alberta also exported large quantities of peat moss, semen, embryos, forage seeds, honey and malt. Export markets were further expanded for cheese, beef jerky, french fries and numerous other grocery products. Sales of these products resulted in Alberta exporting approximately $1.83 billion worth of agricultural and food products to other countries. This amount represented 19 per cent of Canada's $9.6 billion export total of agricultural products.

The division continued to concentrate its efforts in 1987 on the area of value-added products, with meat and animal products accounting for $1 billion worth of out-of-province shipments, canola products for $186 million, brewed and distilled grain products $47 million, and flour and milled cereals for $40 million. A new market was opened in the U.S. for Alberta's canola oil and shipments increased from $4.4 million in 1986 to $8 million in 1987.

While servicing the Alberta, North American and overseas markets, the division emphasized the following markets and commodities in order of priority:

Markets:

- Alberta, British Columbia and Quebec
- Japan
- Pacific Northwest United States
- California and other Western United States
- South Korea
- European Economic Community (United Kingdom and West Germany)
- Hong Kong
- Mexico
- People's Republic of China
- U.S.S.R.
- ASEAN (Association of South East Asian Nations)

Commodities/Products:

Meat — beef, pork, horsemeat, processed meat products
Canola — oil (refined and crude), meal, seed
Processed Food — flour and pasta, processed vegetables and other grocery products
Livestock — genetic stock (beef, dairy, horses and swine)
— commercial and other livestock
Field Crops — forage seeds, pulses, alfalfa, potatoes, sunflowers
Other Products — peat moss, honey, malt, malting barley, hides, offal, dairy products, vegetables

Services:

The market development division offered financial assistance, market development programs and advice to Alberta companies on market opportunities and methods of marketing commodities, products and consulting services. The division also provided support for consultants who provide transfer of technology and expertise out of Alberta on international development projects, e.g., large agriculture projects (infrastructure, production, processing, storage, transportation, distribution and marketing) and all aspects of rural development.

By emphasizing trade show participation and one-on-one industry contact in selected markets, the division encouraged Alberta companies to explore market opportunities as well as the sale of technical information and skills. Numerous incoming and outgoing trade missions were arranged and hosted to further facilitate the export trade of Alberta firms.

In 1987, the Alberta food and beverage industry shipped a total of approximately $4 billion worth of products.

The Canadian Market

The estimated value for shipments of food and agricultural goods out of Alberta in 1987 was $3.3 billion, a 14 per cent increase over 1986. This figure included $1.8 billion in exports to other countries and $1.5 billion in shipments to other regions of Canada.

The market development division continued its active program in the Canadian market, focusing on Alberta, British Columbia, Quebec and Ontario as priority markets. During 1987-88 projects included processed foods and beverages, meats, feeds and livestock.

Alberta

The processed food market expansion program, designed to promote Alberta food and beverage products in the province, entered its third and final year. This three-year, $2 million program was comprised of two elements: SIMS (strategy for improved market share), and RAPP (rural agricultural products promotion). A significant improvement in the sales and market share of Alberta products was attributed to the program. This activity was a joint undertaking of Alberta Agriculture and the Alberta Food Processors Association.

The market development division assisted 43 Alberta companies to attend ARFEX '87, the largest food service trade show in Alberta. A trade promotion called the "Great Ski Away" was carried out during the month of February. Increased sales were reported for those Alberta food processors involved.

Alberta Agriculture continued its support of the canola crushing industry in an endeavour to increase the usage of canola meal in the domestic market. A long-term nutrition and marketing program was developed in an effort to double the local consumption of canola meal.

British Columbia

British Columbia continued to be one of Alberta's best customers for agricultural and food products. As an example, in 1987 Alberta-processed foods were successfully featured in a week-long store promotion in 14 B.C. Woodward's stores.

"Better Buy Alberta" logos and other advertising materials were used for the first time out of province.

In 1987, Alberta food service processors were assisted in maintaining and expanding their market share via the B.C. Food and Hospitality Show and the Canadian Fruit Wholesalers Vancouver Convention.

Eastern Canada

Market development priorities in the large Eastern Canadian market in 1987-88 were Alberta beef and value-added food products.

Beef

Quebec is Alberta's single largest market for Alberta beef and regular market development trips were made there to assist Alberta's packers and processors maintain and sustain their market share.

Significant gains were made in the Quebec food service industry as a result of efforts between a major Alberta packer and their food service arm in Montreal, using Alberta certified A grade cryovac boxed beef. Similar efforts to maintain and increase sales of Alberta beef, preferably in boxes, occurred in Ontario.

Key meat buyers and merchandisers from Quebec's largest retailers participated in industry initiatives associated with the Calgary Olympics. A major contingent of executives and store managers from a large retailer visited Alberta's industry in the summer of 1987. These incoming missions helped to re-enforce the superior quality of Alberta beef.

Food Products

Several Alberta food companies, with the encouragement and support of the market development division, began a concerted effort to penetrate and expand market share in the vast Ontario/Quebec markets. Participation in the largest Canadian food service show, Hostex, the Canadian Food and Beverage Show, Itwal (Confectionaries), the Canadian Fine Food Show in Toronto and Rendezvous Show in Montreal exposed Alberta grocery products to the market. Brokers were appointed, some good clients established and sales increased for several companies.

Others

Alberta Agriculture encouraged sales of Alberta livestock genetics through participation in the Canadian Western Agribition in Regina, and provided assistance to internationally-oriented programs held in conjunction with the Calgary Bull Sale, the Calgary Exhibition and Stampede, and Edmonton Northlands Farm Fair. Support to individual associations and companies, primarily in the form of incoming buyers programs and outgoing missions, led directly to significant sales of high-quality breeding stock to Ontario, Quebec, Manitoba, Saskatchewan and British Columbia.

The United States Market

In 1987, the United States continued to be Alberta's largest foreign market for agricultural and food products, accounting for one-quarter of provincial export values. Exports to the U.S. in 1987 were valued at $440 million, an 18 per cent increase from 1986. Meat at $148 million (beef $60 million and pork $87 million), livestock at $125 million and canola meal at $23 million topped the list. Other products totalled $144 million and included forage seeds, whiskey, peat moss, barley and canola oil.

Beef

Providing support to a viable and expanding red meat industry continued to be a market development priority. In 1987-88 a major initiative was accomplished with the completion of a U.S. Beef Study, "Market Development Strategies for Alberta Beef in the Western U.S. Markets" (California and the Pacific Northwest). A series of Alberta beef seminars were held for interested U.S. retailers, wholesalers and food service accounts in co-operation with industry, the Alberta Cattle Commission and Agriculture Canada.

Access

Market development staff continued to initiate and support major trade policy issues. A study, "Potential Impacts of a Reciprocal Beef Grading Agreement on Canada/U.S. Beef Marketing and Trade Policy Implications", was completed in July 1987 and presented to the meat industry. The division provided input into Alberta's free trade position and the U.S. 332 Investigation regarding exports of live cattle and beef.

Promotions

Alberta-produced fresh and processed pork products were featured in two promotions at 20 Foodland stores in Hawaii in 1987.

"Taste of Canada" promotions, developed in co-operation with Canada West Trading, were held in Kansas City and Los Angeles Safeway outlets featuring Alberta pork and food products.

While more than 40 Alberta processors have U.S. labels, Alberta's best selling grocery products in the U.S. continued to be fresh and processed meats, whiskey and honey.

The market development division assisted Alberta food and grocery companies to exhibit at:

- Farwest Horticulture Show — Portland
- U.S. National Health Food Show — Anaheim
- California Grocery Show — Las Vegas
- Seattle Solo Show — Seattle
- Fancy Foods and Confection — San Francisco
- Arizona Retail Grocers Association — Phoenix
- Utah Retail Grocers Association — Reno
- Chicago Solo Show — Chicago
- National Food Brokers — New Orleans
- Minneapolis Solo Food Show

These trade promotions were important marketing vehicles to introduce products into the market, and for companies to appoint brokers, establish contacts and expand trade.

Livestock

The livestock show program continued to be an extremely effective means of promoting sales of Alberta livestock genetics to the U.S. as well as other world markets. Alberta Agriculture, in co-operation with the Alberta Canada All Breeds Association (ACABA), participated in major livestock shows at Madison, Billings, Louisville, Denver and Houston. In addition, ACABA, the Calgary Exhibition and Stampede, and Edmonton Northlands shared booth space at the National Cattlemen's Association Convention in Orlando, Florida.

Canola Oil — The market development division, working in co-operation with the Alberta canola industry, co-ordinated an aggressive marketing approach to major U.S. edible oil companies during 1987. Following up on technical awareness seminars to 18 major U.S. refiners, and a canola oil processing course held in 1986, seminars on end-use applications of canola oil were conducted for 80 major companies in 14 U.S. locations during the year. An audio-visual presentation developed by Alberta Agriculture covering the chemical, physical, nutritional and sensory properties of canola oil, served as the basis for these seminars which were geared towards highlighting canola oil's healthy profile and natural advantages as a salad and cooking oil. Alberta crushers and refiners pursued contacts on an individual basis, and participated in major edible oils conferences in New York and Palm Springs. Alberta exports of canola oil to the U.S. more than doubled to nearly 21,000 tonnes valued in excess of $8 million during 1987.

In October, the American Health Foundation of New York presented the Procter and Gamble company with the 1987 Food Product of the Year Award for Puritan oil. Puritan is made from 100 per cent Canadian canola oil.

Others

During the past year, Alberta Agriculture initiated a committee to review specialty crop market opportunities. Oats, particularly high-quality race horse varieties, were identified as a priority and a study of the U.S. industry was completed in June 1987. Information shared with members of the Alberta trade, identified California and Texas as the areas holding the greatest potential for Alberta oats. Nearly 167,000 metric tonnes, valued at $19.5 million were exported to the U.S. during 1987, more than tripling the value of exports in the previous calendar year.

Seed potato exports from Alberta continued to increase. In 1987, 557 truckloads were shipped, mostly to the State of Washington. In 1986, the previous record year, 508 truckloads were shipped.

Canola meal as a feed component for cattle, poultry and swine made great inroads into western U.S. markets with exports reaching 138,000 metric tonnes worth $13.8 million. Washington, Oregon and California were the prime markets.

A much larger percentage of Alberta's nursery stock requirements were produced in the province, with modest quantities of winter hardy shrubs and trees exported to Montana, Alaska and Idaho.

Latin America/Caribbean

The Latin American/Caribbean region continued to grow significantly in terms of its importance to Alberta's exports of agriculture products. Mexico continued to be the number one priority market in the region, followed by Venezuela, Colombia, Cuba, Peru, Argentina and Brazil. Many missions, both incoming and outgoing, were organized during the year leading to sales arrangements.

In Mexico, canola seed sales reached all-time records, with over 300,000 metric tonnes sold to Mexican oilseed crushers.

Alberta's livestock genetics also made steady increases in sales with market expansion into the Mexican States of Sonora, Nuevo Leon and Zacatecas. Alberta livestock producers participated in national livestock shows held in Hermosillo, Zacatecas and Monterrey. Participation in these major shows led to a number of incoming missions which resulted in sales. In 1987 Alberta sold over $2 million worth of purebred cattle and semen.

Following the success of the joint venture bull testing program in the state of Jalisco, a new joint venture developed between the Alberta Swine Breeders Association and the Jalisco swine breeders.

In addition to canola and livestock, promotional efforts were made on behalf of Alberta forage seeds and specialty crops in the northern part of South America.

In 1987, Alberta made its first purebred livestock shipment to Bogota, Colombia. Because of Colombia's agriculture diversification program, it is anticipated this will become a good market for a number of Alberta agriculture products.

Livestock genetics (semen and embryos) continued to be exported to Venezuela, Brazil and Argentina. As these countries become more financially solvent, this market will continue to expand. Sales possibilities for specialty crops were also pursued with good long-term prospects for success.

Europe, Africa, Middle East

Market development activities continued to focus on priority countries and on products and services with the highest potential for economic returns to Alberta producers and processors.

The 1986-87 Co-operation Protocol between Alberta and the Republic of Russia resulted in a major sale of frozen dairy embryos to that Republic. Conception rates of 56 per cent, a high rate by world standards, resulted from these transplanted embryos and Alberta-bred dairy calves were born at co-operative farms located at Tula and Tumen. Other successful transplants were completed in Czechoslovakia and Hungary.

A seeds-for-planting exchange with the Soviet Union showed promising results for several varieties of cereal grains and forages. These trials are continuing and success will result in sales of Alberta cereal and forage seeds and continued access to the extensive germ plasma available in the Soviet Union.

Dehydrated alfalfa cubes and pellets have found continued markets in the United Kingdom and Spain, and a new market in Portugal.

A unique Alberta mustard product, already well established in Denmark, Holland, the U.K., Germany, France and Finland, was introduced into the Soviet Union, Bulgaria and Israel markets in 1987-88 with good results.

Alberta Quarter Horses, Morgans and Appaloosas, continued to find ongoing, new and developing markets in the European community and Switzerland. The high-quality genetic standards established by Alberta breeders resulted in continued growth not only in the number of horses marketed, but also in their value.

Alberta's two horse meat processing plants found good markets for their product in Italy, Switzerland, France, Belgium, Germany and Sweden. New and innovative methods of presenting and transporting the product were developed in an effort to remain competitive.

Alberta honey continued to be in demand throughout Europe and many independent Alberta producers pursued this highly competitive market.

Alberta's high-quality beef and dairy genetics found excellent acceptance in many Scandinavian and Eastern and Western Bloc European countries. High transportation costs limited sales of live cattle into the market area, however semen and embryo sales increased.

In the Middle East and African markets, Alberta companies were active in irrigation and consulting services in such countries as Tunisia, Morocco and Egypt. However, due to time and financial constraints, activity in these areas was at a maintenance level.

Two high level ministerial delegations visited the province: the Minister of Agriculture of the Russian Republic and the Minister of Agriculture of Czechoslovakia. Both missions were highly supportive of Alberta's market development activities in those countries.

Pacific Asia

The Pacific Asia region represented over one-third of Alberta's 1986 agricultural exports.

In October 1987, Alberta Agriculture participated in a major ministerial mission to the Pacific Asia region to strengthen ties with major trading and retail companies and respective governments.

Working closely with the Alberta Tokyo office, the first year of a three-year beef promotion program in Japan was completed. This program is especially important as impending liberalization of Japan's import beef market should offer a significantly larger market opportunity for Alberta beef.

Initial research and development was started to assist Alberta food processors develop products specific to Japanese demands. Exchanges with a major Japanese retailer continued to expand trade relations with Alberta and significant sales were made. The market development division played a lead role in the successful establishment of a phyto-sanitary protocol between Japan and Canada which will enable Alberta hay producers to access this important market.

During the South Korea portion of the October mission, a twinning relationship was established between

the Suewon Research Station and the University of Alberta, and Yonam Agricultural College and Olds College.

Hong Kong market development activities were assisted by the Alberta Hong Kong office. Sales of beef and canola oil increased and were sold into China from Hong Kong.

The Alberta Culinary Arts Foundation was instrumental in establishing a good working relationship with prestigious Hong Kong hotels and increasing awareness of Alberta's food industry.

The People's Republic of China renewed the department's technical exchange program with the Heilongjiang Department of Agriculture. It was emphasized that the success of this rangeland improvement project should allow for expanded future commercial opportunities.

The commitment of future wheat sales to China was reinforced during missions undertaken by both provincial and federal departments of agriculture.

Southeast Asia — A major agricultural consulting contract was initiated in Indonesia that will source Alberta management and technical expertise. Indonesia, Thailand and the Philippines were destinations of a commercial mission that included Alberta's agricultural private sector and members of the department. Areas of interest were livestock genetics and future possibilities for joint ventures.

Taiwan — Several agricultural firms completed marketing missions to Taiwan and successfully established sales for commodities and processed foods from Alberta. The establishment of a Canada trade office by the Canadian Chamber of Commerce assisted Alberta's marketing efforts. The Taiwan market was very strong and increased interest was shown for Alberta processed foods and commodity feeds. Plans for a major Canada food trade show in the coming year were started.

MARKETING SERVICES DIVISION

Agri-food and Processing Development Branch

During 1987-88, the agri-food development branch and the agricultural processing development branch merged to form the new agri-food and processing development branch. This merger allowed for reallocation of two staff positions to the Food Processing Development Centre which had a serious need for additional staff. The industry development section role of the agricultural processing development branch was reallocated to the process engineering section of the new branch.

The agri-food and processing development branch provided assistance to commodity groups, industry and individual entrepreneurs for the purpose of improving the marketability of agricultural commodities either directly or through processing into value-added products. The branch's programs provided information services and financial assistance in support of non-capital development projects.

The new branch placed increased emphasis on industry development. The task of putting together an industry development plan was taken on by the process engineering section.

Commodity Development Section

The commodity development section is dedicated to fostering effective self-reliant commodity, industry and breed organizations capable of dealing with industry issues, concerns and development goals. The section accomplished this by acting as a communication link between these organizations and various levels of government, and by providing assistance in the form of information services and financial assistance.

The depressed price situation for grains and oilseeds created many challenges. The section provided technical and financial assistance in development of tripartite programs for sugar beets and beans, and assisted several groups with improvements to stabilization and special assistance programs. The section provided financial and technical assistance to the pulse growers, the soft wheat growers and the canola growers to help them achieve commission status. The section assisted with marketing and development initiatives involving forage seeds, canola oil and meal, hay, processed forages and landscape products. Several initiatives were ongoing to encourage development of special (alternative) crops and to determine what further value-added products might be derived from Alberta's surplus grains. A successful special crops conference was held in Lethbridge.

A new mandate was received for continuation of the forage seed council until 1990. The commodity development section was involved in Marketing Council activities. The farmers' market program was further reviewed and streamlined, and continued to serve as an effective direct marketing outlet.

Alberta continues to be recognized as a world-class supplier of livestock genetics and related technology. Work continued to support the growth and development of frozen embryo and embryo transfer technologies. Major sales of semen and embryos to Australia, the USSR, the United States

and other international markets, were a highlight of the year. The commodity development section continued to work with a large number of breed and livestock organizations in building Alberta's reputation as a supplier of superior genetic material for world markets. Several world-class livestock events were attracted to Alberta which strengthened its reputation as a quality supplier and enhanced sales. The section played a lead role in completing a major study to develop a plan for the next several years to strengthen the department's swine improvement programs and Alberta's swine genetic marketing capabilities.

Meat and Dairy Development Section

The meat and dairy development section of the branch continued to support expanded value-added marketing as both meat and dairy companies increased export activities. The section addressed numerous trade-related issues and their impact on Alberta's red meat industry. A study was initiated on the impact of regulatory legislation on the industry's competitiveness and the implications of free trade. Initiatives in new product development were encouraged for both lamb, pork and beef case-ready products and further processed, cooked convenience items. A study comparing Alberta fresh lamb with fresh oceanic lamb was completed. Incoming missions interested in beef cuts and cattle horse hides were assisted. Meat company rationalization and acquisitions were monitored.

The section provided support to the Dairy Research Chair at the University of Alberta as well as the milk at school, new-fresh pork, lamb, egg and Olympic beef promotional campaigns. An aquaculture market study was initiated.

Processed Food Development Section

The processed food development section provided detailed support to Alberta's food processors. Professional assistance was directed at overall development of the industry through packaging and labelling, company marketing planning, and development of new and approved products and product identification materials. Companies were sourced and assisted with participation in trade shows, missions and foreign market opportunities. An updated guide of Alberta's food and agricultural processors, a manual for new food processors, and a packaging and labelling information manual were prepared and distributed. Inquiries and consultations with potential new food processors continued with approximately 40 calls per month. Liaison continued with the Alberta Food Processors Association.

Process Engineering Section

The process engineering section provided technical support to the agricultural processing industry in Alberta.

Projects handled by the section included work with alfalfa processing, triticale market potential, new extrusion technology for cereal products, canola crushing technology, vinegar production, mustard grinding, small scale flour milling and assistance to processors in meeting air quality regulations.

The section prepared an industry development strategy to assist the development of the food processing industry in Alberta. This included the compilation of the trends and opportunities in Alberta's agricultural processing industries and assistance from the University of Waterloo in developing the strategy and action plans.

In the past year, the section was involved with projects that were either progressing toward the establishment of a production facility in the province or being examined in detail as to their economic and technical feasibility.

Some of the projects handled were:

Fuel Ethanol: The section assisted in the preparation of a report to the minister on the feasibility of producing fuel ethanol from agricultural sources. This document is intended to form the basis of a fuel ethanol policy for Alberta.

Irradiation: The applicability of an irradiation facility in Alberta was investigated and food/feed/horticultural products which would benefit from this added processing were identified.

Starch: The section pursued the development of a plant to process wheat or barley to starch and byproducts using recently developed technology.

The following table provides a summary of grant assistance:

Agri-Food and Processing Development Branch Industry Assistance 1987-88 Provided Under Agricultural Grants Act

Sector	No. of Grants	Total
Food and Commodity Processors	137	$ 666,899.34
Crops and Feedstuffs Producers and Processors	25	426,795.56
Cattle Breed Associations	23	321,255.00
Horse Breed Associations	13	160,185.00
Livestock Shows and Congresses	4	70,000.00
Semen and Embryo Companies	6	217,000.00
Other Associations	15	121,426.00
Farmers' Markets	54	46,068.53
Meat and Dairy Producers and Processors	14	226,351.45
TOTAL	295	$2,255,980.88

Business Analysis Branch

The business analysis branch continued to support the department's emphasis on marketing and encouraging further value-added development in the province by providing professional business and financial management services.

During 1987-88, the branch provided financial assessment support to the rural development division's Canada-Alberta Agricultural Processing and Marketing Agreement (APMA), the community services branch's agricultural societies capital grant/loan program and a number of other department initiatives.

The branch also provided information and direct consultative assistance to agribusiness firms.

As in past years, the majority of branch work involved analysis and payment inspection of proposals under the agricultural processing and marketing agreement program. During the year, numerous projects were evaluated which resulted in 103 offers of assistance to eligible processing operations in Alberta. Total support amounted to $9,976,216 on $41,834,342 of proposed capital and non-capital investments. In addition, 193 inspections resulting in program disbursements of $8,631,448 were completed.

The branch completed a variety of work including:

- input into the design, modification and implementation of other department initiatives
- financial statement reviews for staff in other branches relating to specific department programs
- periodic financial management support to Lambco
- work with smaller processors on improving budgeting/financial management techniques, and
- a wide variety of consultative support to existing and prospective processors concerning proposed developments, financing and the availability of government programs and other services.

Food Processing Development Centre

The Food Processing Development Centre (FPDC) continued to assist and encourage the maintenance and development of strong, competitive Alberta food processing industries. Through use of the physical resources of the pilot plant and development laboratory, combined with the technical expertise and industrial experience of department staff, the Alberta food processing industry was provided with services to increase its capability of meeting the needs of the marketplace. In 1987-88 over 200 industrial projects were carried out either at the centre or in the plants of processors. The centre's industry development program was responsible for the development of new and upgraded products, modified processing techniques and a new processing plant.

Product development laboratories of the centre continued to focus on programs and services associated with product feasibility and concept development, prototype demonstration and assessment, formulation optimization, product specification, shelf-life studies and efficacy testing of packaging systems. Value-added processing of Alberta commodities remained a priority of the section.

Laboratory staff provided scientific and technological assistance to Alberta food processors in areas of new product development, existing product refinement or modification, quality control and quality assurance, and sensory evaluation studies. Examples of product development activities included:

- Development of innovative, fruit-flavored honey products. Products consisted of a unique proprietary combination of natural fruit and Alberta honey. Centre personnel were instrumental in all aspects of product/process development and technology transfer to commercialization-conceptualization, prototype design and evaluation, sensory evaluation and pilot plant scale-up operations, and test market production.
- FPDC personnel continued to provide developmental assistance in the application of innovative packaging systems, such as modified atmosphere packaging (MAP), to Alberta processors. MAP applications included vegetables, pasta, bakery products, ethnic products, herbs, prepared salads, specialty sauces, sandwiches and meat products.
- Laboratory specialists assisted sandwich manufacturers in shelf-life extension of pre-prepared products for retail and food service applications.
- Assisted a major dairy processor in development and market research of a flavored beverage product.
- Assisted a Calgary-based company in formula development of a variety of shelf-stable, calorie-reduced salad dressings for national distribution.
- In co-operation with a major Japanese food retailer, centre staff were involved in development and modification of Alberta food products to take advantage of export opportunities.

Product development scientists participated in formulation activities in products such as frozen bakery doughs, snack foods, specialty mustards, milk beverages, yogurts and sherbets, confectionary sauces, croutons, croissants, lamb products, specialty flour mixes, pasta and meat products.

The sensory evaluation laboratory offered descriptive difference and preference/acceptance testing services to industrial clients throughout the year. Over 800 hours were committed to flavor, odor, color and texture analysis associated with product development or product improvement/cost reduction, quality control, quality assurance and market research. This represents a 100 per cent increase in activity in this area since 1986-87. Taste panelists and consumer groups were solicited from Leduc and Edmonton.

The upgraded process development section provided a fully-serviced pilot plant processing facility which enabled food processors to develop and evaluate innovative products and processes. Pilot plant activities facilitated the transfer of laboratory bench-scale information to simulated industrial production operations prior to commercialization in the private sector, identification of product/process compatibility, and limited production of finished product for test market and consumer acceptance studies.

Examples of pilot plant operations and activities included:

- Developed an economical process for producing intermediate moisture meat snack items for the Japanese market. Produced a partially processed product in sufficient quantities for test marketing.
- Assisted an Alberta processor meet product specifications for trial shipments of meat to Japan.
- Developed processing parameters for the production of formed, battered, breaded and fried fish, poultry, red meat and vegetable products. Established guidelines for processing test market quantities of these items.
- Processing of test market quantities of flavored mustard products and honey-fruit spreads that were developed at the centre.
- A number of pet "treat" products were developed and processing procedures established at the centre. Food grade raw materials were utilized for the test procedures.
- Pre-cooked roasts (beef, pork, turkey) and preserved fresh sausage products and processes were refined during pilot plant trials for an international meat processor.
- A training and development program was provided to a visiting Brazilian food scientist in conjunction with local food processors.
- Mechanical red meat desinewing methodology was extensively demonstrated at the request of a national food processor.
- A number of processors were assisted in adopting improved processing technology.
- Specialized equipment purchases were made to increase the processing technology capabilities of the centre. Also, modifications to existing equipment were made to increase processing flexibility.
- Product and process development activities in specialty cheese production and ethnic food processing (Dutch-style croquettes) were achieved.

The centre continued to provide a technical advisory and information service which involved the acquisition, interpretation and adaptation of scientific or technical information to resolve specific industrial problems either at the centre or on-site at the processing facility.

The centre, in partnership with Alberta food processors, assisted in three Farming for the Future projects by providing specialized expertise and equipment.

The centre joined Agriculture Canada and the Lacombe Research Station in an official research agreement to co-ordinate the federal-provincial effort in red meat research and development.

The centre hosted numerous international trade and scientific/technical missions and visitors.

Food Laboratory Services Branch

The main purpose of the food laboratory services branch was to ensure the quality, safety and nutritional value of Alberta's food and agricultural production at the producer, processor, exporter and consumer levels. The branch, through its laboratory in Edmonton, provided chemical, microbiological, compositional, organoleptical and advisory services to all sectors of the Alberta food industry, hospitals and various government agencies concerned with food production, processing, inspection, export and retail trade.

The laboratory analysed foods, food ingredients and other agricultural commodities for the presence of various spoilage and food-borne, illness-producing microorganisms. Along with analyses of product shelf-life, checks were also made for pesticide, herbicide and other biocide residues, and preservatives and additives.

On June 21, 1987, the food laboratory in Airdrie was closed and all services provided in that laboratory were integrated into the Edmonton facilities.

A total of 1,017 samples were analysed for the presence of pesticides, herbicides, PCB's, sulfonamides and other possible contaminants. All random samples examined were found to be within the acceptable levels. In addition, the laboratory examined 25,353 random samples of milk, 55 samples of meat and 99 samples of honey for the presence of antibiotics.

Only 0.42 per cent of milk samples were positive. No antibiotics were found in honey samples, and only two of 55 samples of meat tested contained antibiotic residues.

During the Calgary Olympics, the laboratories assisted in monitoring the quality and safety of foods served to the athletes, officials and the general public.

The food laboratory staff, with assistance from Agriculture Canada, organized the annual workshop for pesticide and trace organic residue analysts (Western Canada) held in Calgary.

As a result of renovations to the O.S. Longman laboratory building, the food laboratory gained additional space and consolidated its operations on two floors.

Some new fees were introduced or old charges expanded for laboratory services.

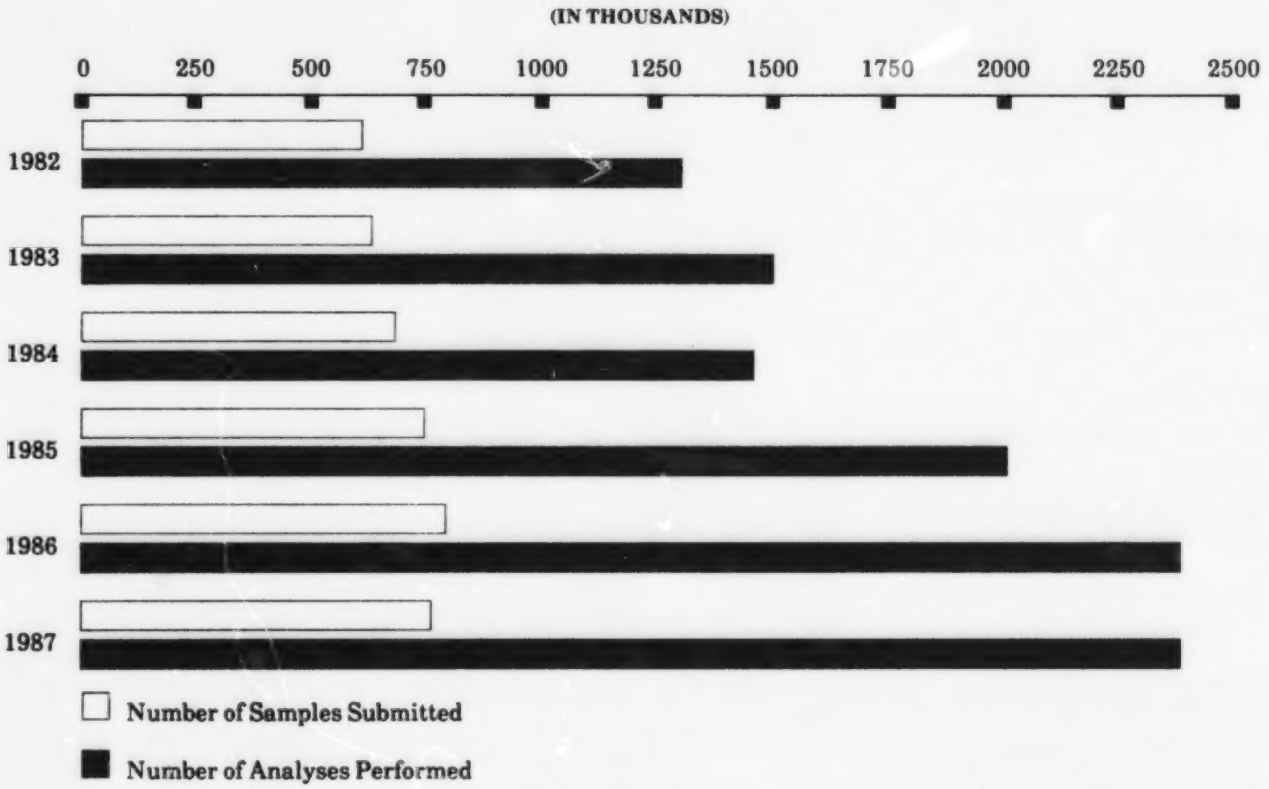
From April 1, 1987 to March 31, 1988, the food laboratory services branch received 672,797 samples of milk, milk products, various other foods and food ingredients. A total of 2,360,990 tests were performed on these samples. The accompanying graph illustrates the number of samples submitted and number of analyses performed during the past six years.

The following table indicates the number and type of samples received at the food laboratories and the number of analyses performed during the 1987-88 fiscal year. The number of samples submitted and number of analyses performed during the previous year are indicated in brackets.

SAMPLES RECEIVED AND ANALYSES PERFORMED BY THE FOOD LABORATORY SERVICES BRANCH
APRIL 1, 1987 to MARCH 31, 1988
(Figures in brackets are for the previous 12-month period)

	No. of Samples Analysed		No. of Analyses Performed	
Milk	24,843	(30,066)	165,741	(174,726)
Butter	120	(203)	779	(1,758)
Cheese	2,129	(2,250)	8,700	(10,626)
Ice Cream	3,347	(3,410)	7,542	(8,201)
Dry Milk	129	(311)	163	(202)
P.P. Survey	909	(477)	3,842	(2,156)
Honey	693	(750)	1,705	(1,729)
Washing Agents	8	(11)	29	(20)
Water	749	(788)	2,250	(2,273)
Eggs	1,614	(1,477)	1,876	(2,011)
Meat	2,062	(2,188)	9,030	(11,305)
Vegetables	654	(389)	1,983	(1,419)
Fish and Wildlife	331	(324)	1,679	(1,289)
Cereal Products and Forage	418	(495)	1,653	(1,904)
Human Specimens	50	(62)	51	(68)
Soil	149	(136)	157	(177)
Research and Collaborative Studies	208	(236)	300	(249)
Miscellaneous Foods	2,431	(2,720)	9,565	(10,036)
Central Milk Testing	631,953	(640,162)	2,143,945	(2,135,530)
TOTALS	72,797	(686,454)	2,360,990	(2,365,677)

Number of Samples Submitted and Number of Analyses Performed by the Food Laboratory Services Branch During the Past Six Years



RURAL DEVELOPMENT

1987-88 saw the transfer of the federal responsibility for the Canada-Alberta Agricultural Processing and Marketing Agreement shifted from the Department of Regional Industrial Expansion (DRIE) to the Western Diversification Office. The federal government and Alberta Agriculture jointly fund and administer the $50 million program which provides financial incentives to food and agricultural value-adding and marketing projects within Alberta.

Assistance was offered to 103 projects recorded in the following table:

	No. of Offers	Estimated Cost Of Project	Category Amount Offered
Alfalfa	3	$ 1,761,541.00	$ 488,884.00
Bakeries	16	$ 1,510,990.00	$ 379,488.00
Canola	1	$ 208,561.00	$ 52,140.00
Containers	1	$ 44,500.00	$ 8,900.00
Dairy	9	$ 1,862,707.00	$ 414,873.00
Feeds	13	$ 6,047,594.00	$ 1,082,644.00
Genetics	2	$ 2,175,635.00	$ 751,680.00
Meats	26	$ 4,596,229.00	$ 1,020,441.00
Miscellaneous	22	$ 19,841,242.00	$ 4,796,040.00
Seeds	3	$ 189,947.00	$ 82,276.00
Vegetables	7	$ 3,595,396.00	$ 898,850.00
TOTAL	103	$ 41,834,342.00	$ 9,976,216.00

Incentive payments were in two categories: payments for the predecessor program, the Canada-Alberta Subsidiary Agreement on Nutritive Processing, and payments under the Agricultural Processing and Marketing Agreement.

As per the following table, 193 payments totalling $8,631,448 were made:

Nutritive Processing Agreement (70 Payments)	
Meat	$ 691,789.00
Feeds	$ 362,521.00
Bakeries	$ 35,093.00
Dairy	$ 17,551.00
Vegetables	$ 7,334.00
Rapeseed	$ 1,187,735.00
Alfalfa	$ 51,825.00
Research	$ 240,311.00
Miscellaneous	$ 306,173.00
TOTAL	$ 2,900,332.00

Agricultural Processing and Marketing Agreement (123 Payments)	
Alfalfa - Capital	$ 58,590.00
Bakeries - Capital	$ 826,945.00
Canola - Capital	$ 50,959.00
Dairy - Capital	$ 127,601.00
Dairy - Feasibility	$ 3,650.00
Feeds - Capital	$ 590,204.00
Feeds - Feasibility	$ 29,095.00
Labels - Capital	$ 11,350.00
Meat - Capital	$ 852,845.00
Meat - Feasibility	$ 83,500.00
Specialty Seeds - Capital	$ 168,743.00
Specialty Seeds - Feasibility	$ 79,100.00
Vegetables - Capital	$ 546,663.00
Vegetables - Research	$ 34,860.00
Miscellaneous - Capital	$ 2,256,661.00
Miscellaneous - Feasibility	$ 10,350.00
TOTAL	$ 5,731,116.00

TRADE POLICY SECRETARIAT

The Trade Policy Secretariat works towards ensuring the establishment of an effective trade policy framework under which Alberta's agriculture and food industry can grow and prosper. This involves seeking to secure and enhance market access for Alberta's agriculture and food exports through appropriate adjustments in domestic and international commercial policy.

The Canada-U.S. Free Trade Agreement continued to be the primary focus of activity during the year. During the negotiations, the secretariat was involved in developing and representing Alberta's agricultural position as part of the co-ordinated Alberta government's approach to the negotiations. This included participation in federal-provincial consultations at the officials level and the preparation of briefs and strategy recommendations for use at the Ministerial and First Ministers levels. With the signing of the Canada-U.S. Free Trade Agreement on January 2, 1988, attention turned towards preparing a comprehensive assessment of the impact of the agreement. Speaking engagements were undertaken to inform producers, processors and rural Albertans about the agreement and its implications, and input was provided for the preparation of an Alberta government question and answer document on the agreement. The secretariat also made recommendations on domestic policy changes and other preparations which would enable Alberta's agriculture and food industry to take optimum advantage of the opportunities provided by the agreement.

Throughout the year progress also continued to be made in the multilateral trade negotiations taking place in Geneva under the auspices of the General Agreement on Tariffs and Trade (GATT). The Trade Policy Secretariat monitored agricultural developments in the negotiations and began the process of establishing Alberta's priorities and objectives. Proposals tabled for conducting the agricultural component of the negotiations by the major countries involved, including Canada, were assessed to determine and possibly influence the general direction in which international agricultural trade policy would take in the future. The secretariat undertook and co-ordinated several studies related to possible measuring devices (e.g., Producer Subsidy Equivalents, Trade Distortion Equivalents) which could be used as a common yardstick to measure the trade effects of agricultural policies.

The secretariat continued to work with other sectors of Alberta Agriculture, other government departments, and industry to ensure the compatibility between domestic agricultural policy and international trade objectives and obligations. It was involved in making more than 60 presentations on the Canada-U.S. Free Trade Agreement, the multilateral trade negotiations and other trade policy issues, to producer groups at trade seminars and other interested groups in Alberta, other provinces and internationally. The secretariat participated in work on domestic policy issues related to subsidies and interprovincial trade, including tripartite stabilization programs.

The Trade Policy Secretariat remained active in the development and management of relations with other trade policy jurisdictions. This included participation in the Federal-Provincial Agriculture Trade Policy Committee which meets regularly to review agricultural trade policy developments, exchange information, provide provincial input to the federal government and address specific trade issues and their possible resolution. A major undertaking of the committee during the year was the initiation of work on interprovincial agricultural trade barriers which will lead to recommendations for their reduction or removal. Through this federal-provincial committee, the Trade Policy Secretariat also took part in the activities of the Provinces-States Agricultural Accord which serves as the vehicle for consultation between Canadian provincial and U.S. state departments of agriculture with a view to exchanging information, increasing mutual understanding and resolving existing or potential bilateral agricultural trade irritants.

As part of its ongoing responsibilities, the Trade Policy Secretariat remained active in monitoring, assessing and providing information and advice to both industry and government on trade legislation and litigation affecting Alberta's agriculture and food interests. Over 15 specific issues and irritants were focused on during the year, including a U.S. review of the countervail duty on live hog imports from Canada, a GATT ruling on Canada's countervailing duty on beef imports from the European Community, the Canadian embargo on U.S. honey bees, the effect of the U.S. export enhancement program on Canada, and the evolution and potential impact of the U.S. Omnibus Trade Bill.

1987 - 1988

APPENDIX

APPENDIX

Acts Administered by Alberta Agriculture

Agricultural Development Act
Agricultural Operation Practices Act
Agricultural Pests Act
Agricultural Research Institute Act
Agricultural Service Board Act
Agricultural Societies Act
Agrologists Act
Animal Protection Act
Artificial Insemination of Domestic Animals Act
Bee Act
Beet Lien Act
Brand Act
Crop Liens Priorities Act
Crop Payments Act
Crop Payments (Irrigated Land Sales) Act
Dairy Board Act
Dairy Industry Act
Department of Agriculture Act
Farm Implement Act
Federal-Provincial Farm Assistance Act
Feeder Associations Guarantee Act
Fur Farms Act
Hail and Crop Insurance Act
Harvesting Liens Act
Horned Cattle Purchases Act
Irrigation Act
Irrigation Land Manager Act
Line Fence Act
Livery Stable Keepers Act
Livestock Diseases Act
Livestock Identification and Brand Inspection Act
Livestock Injury Act
Livestock and Livestock Products Act
Margarine Act
Marketing of Agricultural Products Act
Meat Inspection Act
Seed-control Areas Act
Seed Grain Purchase Act
Soil Conservation Act
Stray Animals Act
Surface Rights Act
Threshers' Lien Act
Vegetable Sales (Alberta) Act
Veterinary Profession Act
Water Resources Commission Act (Joint)
Weed Control Act
Wheat Board Money Trust Act

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Minister of Agriculture

I have examined the balance sheet of the Wheat Board Money Trust Account as at March 31, 1988 and the statement of revenue, expenditure and unexpended funds for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Trust Account as at March 31, 1988 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Donald D. Salmon

C.A.
Auditor General

Edmonton, Alberta
May 27, 1988

WHEAT BOARD MONEY TRUST ACCOUNT

Balance Sheet as at March 31, 1988

ASSETS	1988	1987
Cash	$ 65,716	$ 70,289
Accrued interest	1,428	1,419
Investments (Note 3)	52,992	52,998
	$120,136	$124,696
UNEXPENDED FUNDS	$120,136	$124,696

The accompanying notes are part of these financial statements.

Statement of Revenue, Expenditure and Unexpended Funds for the Year Ended March 31, 1988

REVENUE	1988	1987
Interest and amortization of discounts	$ 9,240	$ 9,777
EXPENDITURE		
Scholarships and bursaries	13,800	12,400
Excess of expenditure over revenue	4,560	2,623
Unexpended funds at beginning of year	124,696	127,319
Unexpended funds at end of year	$120,136	$124,696

Notes to the Financial Statements as at March 31, 1988

Note 1 **Authority**

The Wheat Board Money Trust Account operates under the authority of the Wheat Board Money Trust Act, Chapter W-7, Revised Statutes of Alberta 1980.

Note 2 **Changes in Financial Position**

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

Note 3 **Investments**

Investments consist of the following:

	1988		1987	
	Amortized Cost	Market Value	Amortized Cost	Market Value
Debentures:				
Province of Alberta, direct and guaranteed	$52,992	$48,102	$52,988	$48,558

Note 4 **Administration Costs**

Salaries, accommodation and other administrative expenses incurred in the administration of the Fund are borne by the General Revenue Fund and are not reflected in these financial statements.

Note 5 **Approval of Financial Statements**

These financial statements have been approved by management.